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ABSTRACT

In the sixth annual Southern Regional Education Board analysis of state and local revenue potential, the authors suggest that 1972 tax collections, here reported, represent a kind of watershed in revenue availability. The economic boom over the last two years has substantially removed the need for many states to consider new revenue measures. In fact, several states have reduced taxes. However, the economic book period is generally thought to be coming to an end in early 1974. The authors venture to predict a return to a period of revenue shortages that will last at least for the remainder of the 1970s. This report is intended for those who are responsible for maintaining an adequate flow of revenue at the state and local level. In their search for new revenue, states may simultaneously pursue objectives of developing more progressive tax systems in the interest of greater equity and adequacy in the financing of education and other public services. Statistical tables are presented. (Author/PG)

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STATE AND LOCAL REVENUE POTENTIAL 1972

Kenneth E. Quindry
and
Richard A. Engels

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1974

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STATE AND LOCAL REVENUE POTENTIAL, 1972

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1974

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FOREWORD

The present publication is the sixth annual Southern Regional Education Board analysis of state and local revenue potential. Quindry and Engels suggest that 1972 tax collections, here reported, represent a kind of watershed in revenue availability. "The economic boom over the last two years has substantially removed the need for many states to consider new revenue measures. In fact, several states have reduced taxes." However, "the economic boom period is generally thought to be coming to an end in early 1974." They venture to predict "a return to a period of chronic revenue shortages that will last at least for the remainder of the 1970's."

It would be pleasant, in the coming years, to see history prove the authors wrong. Failing that happy ending, those who are responsible for maintaining an adequate flow of revenue at the state and local level may look to these reports for some of the facts needed in tapping unutilized potentials in the years to come. We would also hope that, in their search for new revenue, states may simultaneously pursue objectives of developing "more progressive tax systems in the interest of greater equity and adequacy in the financing of education and other public services"--in the words of the Carnegie Commission on Higher Education.

Winfred L. Godwin
President

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INTRODUCTION

Since 1967 the Southern Regional Education Board has produced annually a study measuring the revenue potentials of state and local tax structures. In this series of reports major emphasis is placed on measuring potential revenue by comparing potential with actual collections for states (and the District of Columbia) by major tax sources. Data are presented in amounts per capita and per $1,000 of personal income as well as in total dollar amounts. It is hoped that these comparisons will serve as a guide to public officials if and when they find it necessary to search for additional funds to finance public services. They also should provide an informative resource for authorities in providing tax reforms directed at improving tax equity and responsiveness to economic growth.

The purpose of these reports is not to recommend either that state authorities should search out new ways of increasing tax revenues or that any particular state should reform its revenue structure. The presentations emphasize the data and to a lesser extent focus on analysis. No value judgments are meant to be implied. The worth of the reports lies in their value as references and guides to decisions if state authorities are inclined to seek out new sources or change the relative reliance on tax sources.

This report is primarily a series of statistical tables. The data in the tables are designed to be comparable, with a few minor exceptions, with those presented in earlier reports. Previous to presenting tabular data, and following a description on methods of

computing revenue potential, tax burden, and tax effort, a section lists major state tax changes enacted in 1972 and 1973. A particular state, in evaluating its position relative to the other 49 states, should consider changes which were not reflected in collections in fiscal 1972.

The extent to which it is necessary or desirable to raise additional revenue depends on several things. Most important are the adequacy of present service levels and the desires of the taxpayers and decision makers to improve public services. In some states, in which the responsiveness of the tax structure is low, it will be necessary to look for new revenue merely to maintain the present level of services. These and other factors determine the effort expended in raising revenue. Effort must be measured in relation to ability.[1] Taxpayers are contributing more to the public treasury relative to their ability in some states than in others. It is obviously less feasible to raise taxes in states in which above-average effort is made. High tax effort may result from a low tax base or a high service level or both.

The economic boom over the last two years has substantially removed the need for many states to consider new revenue measures.

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[1] The ability of taxpayers to contribute to government support is determined by such factors as income, wealth, business activity and by alternative demands made upon the taxable resources. The ability of a taxpayer to increase his contribution depends on his resources out of which to pay taxes and the level of his present tax load. In many states a better distribution of the tax load would make the present tax load, or any increases in the tax load, less burdensome in the aggregate, and, hence, easier to justify and to implement.

In fact, several states have reduced taxes. Even states with relatively unresponsive tax systems have been able to finance services adequately because of the unusual burst of construction and consumer activity. In other words, property and consumer taxes have demonstrated a responsiveness beyond that expected in periods of less growth.

The economic boom period is generally thought to be coming to an end in early 1974. This belief is strengthened by two recent developments. First is the emerging energy shortage, which can create a situation in which the real output of goods and services may essentially level off during the next few years. Second is the possibility of continued widespread inflation over the next few years. Together they presage a return to a period of chronic revenue shortages that will last at least for the remainder of the 1970's.

The extent to which new directions in tax policy may be sought depends upon each particular state's present tax structure and social and economic conditions as well as its philosophy in regard to the state's role in promoting or controlling economic and social change. Taxpayers in states with relatively unresponsive and regressive tax structures may wish to continue this direction in order to minimize the government's role. Taxpayers in other states may wish the state to increase its influence.

Since 1967, total state and local taxes have grown from $61,429 million to $110,392 million, a growth of 79.7 percent. In this same period, the unutilized revenue potential has grown from $11,645 million

to $19,735 million, a growth of 69.5 percent and total personal income increased by 50.4 percent. Table A presents unutilized potential by major source for the years 1967 to 1972. There is little evidence that growth of unutilized potential is centered in either business or individual taxes. The individual income taxes indicate the greatest growth in unutilized potential. However, other taxes growing near or above the average rate are levied on both business and families and individuals. The amount of unutilized potential in the corporation income taxes decreased during the last few years because of the decline in corporate profits. It can be expected to increase in 1973.

Even though unutilized revenue potential has grown impressively over this time span, revenue as a percentage of personal income has grown from 9.9 percent in 1967 to 11.8 percent in 1972.

TABLE A

STATE AND LOCAL UNUTILIZED TAX POTENTIAL
1967 - 1972 TOTAL AND BY MAJOR TAX SOURCE
(In Thousands)

	General Sales and Gross Receipts Taxes	Selective Sales and Gross Receipts Taxes	General Property Taxes	Income Taxes		Motor Fuels Taxes	Motor Vehicle License Taxes	Total
				Individual	Corporation			
1967	$1,983,180	$1,109,417	$2,860,768	$3,256,216	$1,291,226	$274,941	$298,021	$11,645,328
1968	1,933,786	1,077,432	3,128,494	3,675,529	1,246,279	203,424	303,263	12,174,516
1969	2,286,415	1,288,867	3,520,495	4,508,307	1,425,781	215,289	335,499	14,229,868
1970	2,090,690	1,576,243	4,014,918	4,938,105	1,430,047	263,937	360,064	15,841,021
1971	2,174,041	1,727,522	4,822,554	5,064,620	1,263,175	336,325	386,033	17,113,637
1972	2,537,782	1,822,196	5,623,319	5,937,513	1,277,965	397,739	528,937	19,735,010
Percentage Growth 1967 - 1972	28.0	64.3	96.6	82.3	(1.0)	44.7	77.5	69.5

Source: Kenneth E. Quindry, State and Local Revenue Potential, 1967, Tables A-2 - A-9; Statistical Supplement to State and Local Revenue Potential, 1968, Table 16; State and Local Revenue Potential, 1969, Table A-11; State and Local Revenue Potential, 1971, Table 12; and Table 12, this report.

SOURCE OF DATA

Data for the statistical tables of this report were supplied by the U. S. Bureau of the Census. State tax collection data were published in State Tax Collections in 1972 and State Government Finances in 1971-72. Other and local tax collection data were supplied by the Bureau and will be published by them in total in Governmental Finances in 1971-72. Local taxes by category of tax were estimated by the authors from totals supplied by the Bureau. Data on income and population are reported in Survey of Current Business. Information on tax rate and other changes came from reports published by the Commerce Clearing House, the states themselves, or the Federation of Tax Administrators.

The Census of Governments publishes data on state and local tax collections every five years. Data for 1972 will be published, beginning in 1974. They may differ insignificantly from estimates arrived at in this publication.

METHODOLOGY

As suggested above state tax collection data by source are adequately reported in State Tax Collections for 1972. Local tax collections were reported in total (all states) by tax source in State Government Finances in 1972. Estimates by state for local collections were made and added to state collections; then to these totals, utility net profits and net liquor store profits were added to state and local utility taxes and liquor sales tax, respectively.

Interstate comparisons of tax collections and unutilized potential were then made.

In the interstate comparisons, the basic statistical attack rested on the assumptions that the average effort to collect revenue from any particular tax was reasonable, and that any state should be able to put forth such effort if it chooses to do so. That is, each state collecting above-average amounts from a particular tax source should be able to maintain its rate of collections and still be able to tap, at an average level, other taxes previously under-utilized.

However, the unavailability of an adequate effective tax base, and the distribution of the base may, in some cases, render these assumptions unrealistic. Some types of tax bases are not uniformly available in all states. A few states with extensive extractive industries can use severance taxes profitably. A few states can tax the tourist industry effectively; the securities exchange industry is concentrated largely in New York.

The average level and the distribution of income may influence the degree to which a state can utilize a personal income tax. Moreover, taxpayers paying high taxes of a particular type (e.g., consumption) would have their capacity to pay other types of taxes (e.g., income or property) seriously impaired. The overall level of taxation must be considered.

In the statistical comparisons, totals combining state and local taxes (and in two instances, in lieu payments were combined with state

and local taxes) were used. Interstate comparisons are more meaningful when based on combined amounts because of the diversity in the division of labor between states and their subdivisions.

An effective way to dramatize the relative utilization of tax sources is to show the amount of revenue possible at average rates in each state and to compare this amount with actual collections. Thus, tax practices were examined by computing the average yield for states using each of several particular taxes. In most cases, the actual effective tax base for a particular tax was not available; therefore taxes were computed as a levy per $1,000 of personal income.[2] For severance taxes, the common denominator most suited for computing an average rate was the value of taxable resources extracted from the air, land, and waters of the state. For motor vehicle-related taxes, the number of registered vehicles seemed the most adequate measure of tax capacity.

Following the computation of an average tax rate for all states using a particular tax, the rate was multiplied by the common denominator (personal income, value of severed products, registered motor vehicles) for each state in order to provide an estimate of potential revenue. The next step was to compare the potential amount with actual collections. If the potential were less than actual

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2 This amounted to totalling collections from a particular source for all states effectively using the tax and dividing the collections by the total personal income for the same states and stating the quotient as dollars per $1,000 of collections.

collections, a state was assumed to have no unutilized capacity for that particular source. If the actual were less than the potential collections, the unutilized potential was measured as the difference between the two.

THE STATISTICAL TABLES

Tables 1 through 10 present, by state, the actual collections, and potential and unutilized potential collections for 14 tax sources. Table 11 presents other minor tax collections and total collections by state. As reported in Table A, total unutilized potential collections grew by 69.5 percent from 1967 to 1972. Gross unutilized potential is summed up by state and by tax source in Table 12.

In Tables 13 through 17 actual collections, unutilized potential, and possible collections (using the total of unutilized potential) are listed by state in amounts per capita and per $1,000 of personal income for the five principle state-local tax sources.

A number of measuring devices have been employed for interstate comparisons of capacity and effort. The most commonly used simple measures are income and population. While it is more popular to compare taxes in per capita terms, the most reliable measure is personal income. One argument for its use for comparative purposes is that taxes are ultimately paid from personal income. Another is that, while personal income is a less than complete measure of taxable resources, it seems to correlate well with total resources. Thus, while state-to-state comparison in relation to income is considered

the better measure of relative capacity and effort, both are presented in these and other tables.

As mentioned above, there is some diversity in the use of the popular tax sources. Local units in all states and some state governments employ property taxes. A few states employ one, but not both, a general sales tax or personal and corporate income taxes. The relative use of these tax sources is reported in Table 18.

The average level and the distribution of personal income affect the tax capacity and the degree of burden or effort that can reasonably be applied. Table 19 reflects, in addition to tax collections as a percentage of income as a measure of tax effort, this effort measure weighted by the average level of income. In other words, a tax equal to 10 percent of personal income is a greater burden if average income is low than if it is high. The measure in column 4 reflects this. Table 35 lists the distribution of federal adjusted gross income by class for the states, but no weighting can be made.

Tax effort or burden is also influenced by the extent of use of nontax revenue sources. Some states by choice garner relatively larger amounts of revenue from state or local nontax sources or are able to exact federal funds in relatively large amounts. Taxes as a percentage of general revenues from own sources, and federal aids as a percentage of general revenues are also reported in Table 19.

Tables 20 through 34 list the net unutilized potential of the SREB states individually and in total. By net unutilized potential,

it is meant that amounts collected above the average tax yield from some sources were subtracted from amounts collected below the average tax yield from other sources. Table 36 adds actual collections to net unutilized capacity and thus computes collections on the average of all states. This is termed for present purposes as tax capacity. The percent of capacity unutilized and the capacity and utilization per capita and per $1,000 of personal income is listed by state. States overutilizing this capacity measure are found in the New England and the Pacific areas. The greatest percentages of underutilization are found in the SREB states.

MAJOR TAX MEASURES IN 1972

Fewer states enacted major revenue raising programs in 1972 than in 1971. Some states, taking advantage of surpluses, have provided new exemptions or deductions or tax decreases designed to increase tax equity. About one third of the states actually raised major tax rates. These are reported in Table B. Tax raises are concentrated most generally in motor fuel taxes, followed by income taxes, tobacco taxes, and alcoholic beverage taxes.

There are two significant changes in tax policy that are having an increasing effect on the relative reliance on tax sources. The first one was brought about because state legislatures have been presented with a crisis in educational financing. The basic argument that the quality of public education may not be a

TABLE B

STATES ENACTING REVENUE-RAISING LEGISLATION IN 1972
(Selected Taxes)

State	Sales	Individual Income	Corporate Income	Motor Fuel	Tobacco	Alcoholic Beverages
California	X					
Connecticut	X		a/			
Florida			b/			X
Idaho		c/	X	X	Xd/	X
Kansas			e/		d/	
Kentucky			c/	X		
Maryland				X		X
Michigan		a/	a/			X
Mississippi				X	X	
Missouri				X		
Nebraska		X	X			
New Jersey	f/		X	X	X	X
New York		X		X	X	X
South Carolina				X		
South Dakota						X
Tennessee	a/					
Vermont		g/				
Virginia		X	X	X		
D. of C.	X					

X - Indicates rate raises
a - Extended indefinitely temporary tax increase
b - Enacted new bank income tax
c - Eliminated federal tax deduction, cut rates
d - Enacted new tobacco products tax
e - Eliminated federal tax deduction temporarily
f - Extended sales tax to alcoholic beverages
g - Extended temporary surtax on a reduced basis

Source: Adopted from Federation of Tax Administrators, Tax Administrators News, October, 1972.

function of wealth other than the wealth of the entire state as elicited in the Serrano and other court cases has spread to more than 30 states. It will ultimately result in the raising of a relatively larger amount of education funds from state nonproperty taxes.

The second change gives an illusion of increased tax burden when in reality it is more in the nature of a shift in emphasis on sources. It reflects in the collection statistics as a tax raise, however. Presently all 50 states and the District of Columbia have some measures of property or sales tax relief; about 3/4 supported by the state from nonproperty tax sources. In these latter cases, taxes collected at the local level are relieved directly by refunds to the taxpayer from state collected taxes.

General Sales and Use Taxes

Two states and the District of Columbia raised sales and use tax rates in 1972. California raised its state rate from 3.75 percent to 4.75 percent, but delayed its effective date to March, 1974. All counties in the state raised local rates from 1.0 percent to 1.25 percent. Connecticut first raised its rate from 6.5 percent to 7.0 percent, then reduced it. The District of Columbia raised general rates from 4.0 to 5.0 percent, and on hotels and motels and restaurant meals to 6.0 percent. Rates on food for home consumption, prescription medicines, and laundry and dry cleaning remained at 2.0 percent. Tennessee continued its 3.5 percent rate for another year. Mississippi reduced rates on

certain transactions from 5.0 to 3.0 percent, and New Jersey extended its base to include sale of alcoholic beverages.

Sales tax bases were narrowed in Kentucky by the exemption of food for home consumption. Expenditures on pollution control facilities were exempted in Georgia, Nebraska, and Virginia. Broader exemptions of foods, medicines and medical equipment, and water and household fuels were adopted in several states.

Individual Income Taxes

No new individual income taxes were enacted in 1972. Three states raised rates or imposed surtaxes effective in 1972.[3] New York acted to increase its revenue by repealing individual tax credits and raising the rate on capital gains. Michigan and Vermont extended temporary rate increases.

Several other states raised personal exemptions or deductions or authorized new or increased tax credits, including exemption of income of the armed forces, of senior and disabled taxpayers, of former prisoners of war, and such, thereby reducing tax revenues. Also popular were new or expanded credits, rebates, or deductions for nonpublic school tuition and residental and sales tax payments. Idaho reduced tax rates but disallowed the federal income tax paid as a deduction.[4]

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[3] These states were Nebraska, New York, and Virginia.

[4] For more details see Federation of Tax Administrators, Tax Administrators News, published monthly by Federation of Tax Administrators, 1313 East Sixtieth Street, Chicago, 60637.

Corporate Income Taxes

Seven states[5] raised tax rates or continued temporary rate increases. Kentucky reduced its rate from 5.0 to 4.0 percent on the first $25,000 of taxable income and from 7.0 to 5.89 percent on income in excess of $25,000. A franchise tax on banks in Florida and an income tax on savings and loan associations in Virginia were new minor taxes. Alaska increased its tax rate on financial institutions from 2.0 to 7.0 percent, and the District of Columbia raised gross receipts rates on gas, electricity, lighting, and telephone companies from 4.0 percent to 5.0 percent.

Gradual or complete elimination of the federal income tax as a deduction for state tax purposes occurred in Connecticut, Kansas, and Kentucky.

Special Sales Taxes--Motor Fuels

Ten states[6] raised tax rates on motor fuels in 1972. The privilege tax on aircraft fuel was increased from 2.5 cents to 3.5 cents per gallon. Florida authorized a county tax of one cent per gallon for transportation purposes. Motor fuel tax rates for all states as of August 1, 1973, are reported in Table C.

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[5] The states are California, Connecticut, Idaho, Michigan, Nebraska, New Jersey, and Virginia.

[6] The states are Idaho, Kentucky, Maryland, Michigan, Mississippi, Missouri, New Jersey, New York, South Carolina, and Virginia.

TABLE C

MOTOR FUEL TAX RATES
August 1, 1973

State	RATE (cents per gallon) Gasoline	Diesel Fuel
Alabama	7	8
Alaska	8	8
Arizona	7	7
Arkansas	8.5	9.5
California	7	7
Colorado	7	7
Connecticut	10	10
Delaware	9[1]	8
D. Of C.	8	8
Florida	8	8
Georgia	7.5	7.5
Hawaii	8-10[2]	8-10[2]
Idaho	8.5	8.5
Illinois	7.5	7.5
Indiana	8	8
Iowa	7	8
Kansas	7	8
Kentucky	9	9
Louisiana	8	8
Maine	9	9
Maryland	9	9
Massachusetts	7.5	7.5
Michigan	9	9
Minnesota	7	7
Mississippi	9	10
Missouri	7	7
Montana	7	9
Nebraska	8.5	8.5
Nevada	6	6
New Hampshire	9	9
New Jersey	8	8
New Mexico	7	7
New York	8	10
North Carolina	9	9
North Dakota	7	7
Ohio	7	7
Oklahoma	6.58	6.5
Oregon	7	7
Pennsylvania	8	8
Rhode Island	8	8
South Carolina	8	8
South Dakota	7	7
Tennessee	7	8
Texas	5	6.5
Utah	7	7
Vermont	9	0
Virginia	9	9
Washington	9	9
West Virginia	8.5	8.5
Wisconsin	7	7
Wyoming	7	7

1 Reduced to 8¢ July 1, 1974
2 Varies by county

Source: Commerce Clearing House, Inc.

Special Sales Taxes--Tobacco Taxes

Cigarette tax rates were raised in five states.[7] In addition, New Jersey, New York, Tennessee, and Louisiana reduced the discount to dealers. Idaho, Kansas, and Tennessee imposed new or higher taxes on tobacco products other than cigarettes. Florida repealed the authority of municipalities to impose a local cigarette tax with full state credit for local tax paid. Current cigarette tax rates are listed in Table D.

Special Sales Taxes--Alcoholic Beverage Taxes

Distilled spirits tax rates were raised in six states and beer gallonage or barrel tax rates in three states.[8] Delaware and New Jersey increased rates on wine. Idaho imposed a 7.5 percent surcharge on alcoholic beverages sold in state liquor stores. Michigan imposed an additional tax on retail sales of distilled spirits. South Carolina placed a new levy on miniature bottles, and Virginia imposed a tax on mixed drinks sold by mixed beverage carriers.

Property Taxes

Changes were numerous and varied in 1972 with respect to property taxes, the most noteworthy being credits or exemptions for homesteads of selected groups, such as the low income, senior or disabled citizens, widows, veterans, and for pollution control

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[7] Idaho, Mississippi, New Jersey, New York, and Oregon.

[8] States raising distilled spirits tax rates were Florida, Nebraska, New Jersey, New York, South Carolina, and South Dakota. Beer taxes were raised in Maryland, Nebraska, and South Dakota.

TABLE D

CIGARETTE TAX RATES

State	Rate (¢ per package)	State	Rate (¢ per package)
Alabama	12	Montana	12
Alaska	8	Nebraska	13
Arizona	10	Nevada	10
Arkansas	17.75	New Hampshire[2]	42%
California	10	New Jersey	19
Colorado	10	New Mexico	12
Connecticut	21	New York	15
Delaware	14	North Carolina	2
D. of C.	6	North Dakota	11
Florida	17	Ohio	15
Georgia	12	Oklahoma	13
Hawaii[1]	40%	Oregon	9
Idaho	9.1	Pennsylvania	18
Illinois	12	Rhode Island	13
Indiana	6	South Carolina	6
Iowa	13	South Dakota	12
Kansas	11	Tennessee	13
Kentucky	3	Texas	18.5
Louisiana	11	Utah	8
Maine	14	Vermont	12
Maryland	6	Virginia	2.5
Massachusetts	16	Washington	16
Michigan	11	West Virginia	12
Minnesota	18	Wisconsin	16
Mississippi	11	Wyoming	8
Missouri	9		

1 The Hawaii rate is a percentage of wholesale price.
2 The New Hampshire rate is based on value sold at retail measured by usual selling price.

Source: Commerce Clearing House, State Tax Review, October 30, 1973.

facilities. In nearly all cases the credits or exemptions were at the expense of the state. Thus, effective reliance was shifted from property taxes to state nonproperty taxes.

Several states made or proposed substantial changes in assessment practices or assessment ratios without actually affecting collections.

Other Taxes

Motor vehicle license taxes were increased or revised in at least six states during 1972.[9] Alaska enacted a new severance tax on oil, Kentucky and Tennessee on coal. Severance tax rates were raised in Louisiana and Mississippi and reduced in Idaho.

MAJOR TAX ACTIONS IN 1973

General Sales Taxes

Only one state, Indiana, increased its general sales tax rate in 1973; and, in return for a doubling of the rate from 2.0 to 4.0 percent, food items for home consumption were exempted. Tennessee continued its temporary increased rate of 3.5 percent to July 1, 1974, when it is scheduled to return to the permanent rate of 3.0 percent. Exemptions for food were broadened in North Dakota. Louisiana exempted prescription drugs, food, and boiler fuel.

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[9] Rate raises were effected in Idaho and Kentucky and revisions in the District of Columbia, Massachusetts, New Jersey, and New Mexico.

New exemptions for medical supplies, pollution control equipment, and sales by nonprofit organizations continued to proliferate. The activities in revision of exemption provisions generally reflected the unexpected increase in revenue in 1973 which permitted some tax relief within the special areas.

Wyoming authorized a county sales tax, and Missouri authorized a ½ of 1 percent sales tax by cities and counties for transportation purposes. Sales tax rates, as of December 4, 1973, are listed in Table E.

Individual Income Taxes

Tax rates were raised in Delaware, and the tax base was increased to include all capital gains and interest from U. S. government securities. Utah added a new tax bracket to help relieve the low income brackets, and North Dakota raised the rate of its highest bracket.

Nebraska reduced its income tax rate, and New York removed the 2.5 percent surtax for 1973. The dividends tax was removed in Connecticut. Arkansas, Colorado, Mississippi, and Wisconsin provided new or increased credits for low income taxpayers and senior citizens. Indiana authorized counties to impose a levy on individual adjusted income and 31 of its 92 counties promptly adopted the new levy. Michigan authorized the Detroit school district to impose an income tax on corporations and individuals. Louisiana provided an income tax deduction for federal income taxes.

Corporate Income Taxes

Income tax rates on corporations were raised in Indiana (which

TABLE E

STATE GENERAL SALES TAX RATES
December 4, 1973

State	Current Rate	State	Current Rate
Alabama	4%	Missouri	3%
Arizona	3%	Nebraska	2.5%
Arkansas	3%	Nevada	3%
California[1]	3.75%	New Jersey	5%
Colorado	3%	New Mexico	4%
Connecticut	6.5%	New York	4%
D. of C.	5%	North Carolina	3%
Florida	4%	North Dakota	4%
Georgia	3%	Ohio	4%
Hawaii	4%	Oklahoma	2%
Idaho	3%	Pennsylvania	6%
Illinois	4%	Rhode Island	5%
Indiana	4%	South Carolina	4%
Iowa	3%	South Dakota	4%
Kansas	3%	Tennessee[2]	3.5%
Kentucky	5%	Texas	4%
Louisiana	3%	Utah	4%
Maine	5%	Vermont	3%
Maryland	4%	Virginia	3%
Massachusetts	3%	Washington	4.5%
Michigan	4%	West Virginia	3%
Minnesota	4%	Wisconsin	4%
Mississippi	5%	Wyoming	3%

1 The rate returns to 4.75% on April 1, 1974, and is again decreased beginning January 1, 1975, through December 31, 1975, to 4.25%.
2 The rate of tax is decreased to 3%, effective July 1, 1974.

Source: Commerce Clearing House, State Tax Review, Vol. 34, No. 49, December 4, 1973, p. 1.

also imposed a supplemental corporation income tax) and also in Maine. New Jersey imposed a supplemental corporation income tax as well as one on savings institutions. Montana made permanent its temporary tax and eliminated a temporary decrease. Kansas eliminated the federal income tax as a deduction, and Alaska increased the tax rate on financial institutions.

Arkansas made financial institutions subject to its income and franchise tax and repealed the tax on capital stocks of such institutions. Connecticut made domestic insurance companies subject to its franchise tax. Georgia applied its income tax to banks; Minnesota continued its temporary rates on banks until January 1, 1974. Oregon made all business trusts subject to its corporation income tax. Utah extended its income and excise taxes to national banks, and a bank excise tax was imposed in Wyoming. Nebraska reduced its corporation income tax rate from 3.75 percent to 3.25 percent.

Special Sales Taxes

Delaware (temporarily) and Arkansas increased motor fuel taxes, and North Dakota imposed an excise tax on jet fuel. Connecticut authorized the levy of a gasoline tax by transit districts. Louisiana repealed its lubricating oils tax.

The cigarette tax rate was increased in Colorado. Iowa levied a new tax on little cigars at cigarette tax rates. Arizona reduced its tax stamps discount, and Kansas levied a privilege tax on distributors of tobacco products.

Tax rates on distilled spirits, beer and wine were increased in Indiana, while Minnesota reduced its rate on distilled spirits. Georgia authorized municipalities and counties to impose a local excise tax on the sale of malt beverages.

Other Taxes

Increased relief from property tax burdens in the form of credits and exemptions continued to grow. By the fall of 1973, all states had some form of relief, twenty-five in the nature of circuit-breakers for all or some classes of household heads.

Estate taxes were increased in Oklahoma, reduced in Wisconsin, and newly imposed in New Mexico. Utah increased exemptions for estate tax purposes.

Indiana increased the license tax on certain motor vehicles. Minnesota imposed a new excise tax on employers, based on the taxable compensation paid by them to employees.

Montana increased the maximum oil and gas conservation assessment and levied an extraction tax on all minerals. Louisiana increased its gas severance tax rates. Oregon temporarily increased its forest products harvest tax. Pari-mutuel tax rates were increased in Nebraska.

Boarding fees in airports were dealt a fatal blow when a federal bill prohibiting the collection of head taxes on persons traveling in air commerce was signed by the President. It becomes effective on December 31, 1973.

TAX COLLECTIONS IN FISCAL 1972

State and local tax collections by state and by source are reported and analyzed in relation to potential collections in 37 statistical tables. In some cases, nonrecurring or windfall amounts are included in collections; and, thus, normal collections are inflated. In others, tax rate or base changes may have been effective for only a part of the fiscal year. No attempt is made to note all such instances.

Tax Collections and Unutilized Potential

Total tax collections increased from $96.6 billion in 1971 to $110.4 billion in 1972, an increase of 14.2 percent. Increases by type of tax are listed in Table F. As would be expected, the more responsive sources show the greatest gains, a result of the favorable economic growth rates in 1972. These include the corporate and individual income taxes and the death and gift taxes. Taxes based on consumption or expenditure and property values showed slightly below-average gains followed by license taxes.

Total unutilized potential increased by $2.5 billion (14.7 percent) to $19.6 billion in 1972 (Table G). Highest percentage growths were in relatively minor taxes. Most significant dollar growth was in property and individual income taxes. Only in the severance tax was there an actual decline in unutilized potential.

The greatest tax increases from 1971 to 1972 were registered in the New England and the Middle Atlantic regions, followed closely

TABLE F

STATE AND LOCAL TAX COLLECTIONS, 1971 AND 1972
WITH PERCENTAGE CHANGE

Source	Collections (amounts in millions) 1971	1972	Percentage Change
General Sales and Gross Receipts	$17,795	$20,292	14.0
Selective Sales and Gross Receipts	9,929	10,971	10.5
Death and Gift	1,104	1,292	17.0
General Property	37,852	42,132	11.3
Individual Income	11,872	15,234	28.3
Corporate Increase	3,420	4,401	28.7
Alcoholic Beverage License	123	136	10.6
Motor Vehicle License	3,137	3,334	6.3
Motor Vehicle Fuel	6,665	7,272	9.1
Severance	733	758	3.4
Transfer	380	505	32.9
Pari-mutuel	553	571	3.3
Other License	1,948	2,126	9.1
Other and Unallocable	1,138	1,369	20.3
TOTAL	96,649	110,392	14.2

Source: Tables 1-11; and, Kenneth E. Quindry, State and Local Revenue Potential, 1971 (Atlanta: Southern Regional Education Board, 1972), Tables 1-11.

TABLE G

STATE AND LOCAL UNUTILIZED POTENTIAL, 1971 AND 1972
WITH PERCENTAGE CHANGE

Source	Unutilized Potential (amounts in millions) 1971	1972	Percentage Change
General Sales and Gross Receipts	$ 2,174	$ 2,538	16.7
Selective Sales and Gross Receipts	2,103	2,320	10.3
Death and Gift	243	295	21.4
General Property	4,823	5,623	16.6
Individual Income	5,064	5,938	17.3
Corporate Income	1,263	1,278	1.2
Alcoholic Beverage License	40	45	12.5
Motor Vehicle License	386	426	10.4
Motor Fuels	336	388	15.5
Severance	439	424	(3.4)
Transfer	241	347	44.0
TOTAL	17,114	19,622	14.7

Source: Table 12; Kenneth E. Quindry, State and Local Revenue Potential, 1971, Table 12.

by the SREB and Mountain states regions. A review of columns 3 and 6 of Table H indicate that the first two named regions took advantage of a large part of their rising potential to collect taxes. Their unutilized potential increased only 4.9 and 7.3 percent, respectively. On the other hand, the SREB and Mountain states regions failed to take comparable advantage of their even faster rising tax potentials. Personal income in these latter two regions grew by 11.1 percent and 11.9 percent, respectively, while in the New England and Middle Atlantic regions the growth was 7.5 percent and 6.5 percent, respectively. The Pacific states made average use of their moderately rising potential.

The following analysis discusses tax collections and over-and underutilization by tax source. The reasons for diversity in tax collections and relative utilization usually can be accounted for by differences in the different rates, coverage (broadness of base), and/or administrative practices. Unutilized potential results if rates and below-average bases are relatively narrow, and/or the tax is poorly administered. Overutilization results from high rates, broad bases, and/or vigorous administration.

The General Sales Taxes (Tables 1 and 13)

The base utilized for general sales taxation varies greatly from state to state. In many cases, broad exemptions are offset by high rates. For example, 15 states exempt food for home consumption, and these states apply relatively high rates. In addition to complete exemption of food from the tax base, the District of

TABLE H

TAX COLLECTIONS AND UNUTILIZED POTENTIAL BY REGIONS,
1971 AND 1972, WITH PERCENTAGE CHANGE

Region	Tax Collections (amounts in millions)			Unutilized Potential (amounts in millions)		
	1971	1972	Percentage Change	1971	1972	Percentage Change
New England States	$ 6,215	$ 7,248	16.6	$ 1,131	$ 1,186	4.9
Middle Atlantic States	21,955	25,251	15.0	2,401	2,576	7.3
North Central States	26,169	29,655	13.3	3,869	4,354	12.5
SREB States	21,490	24,626	14.6	6,978	8,375	20.0
Mountain States	4,743	5,411	14.1	950	1,198	26.1
Pacific States	15,642	17,744	13.4	1,661	1,786	7.5
District of Columbia	434	458	5.5	125	147	17.6
TOTAL	96,649	110,392	14.2	17,114	19,622	14.7

Source: Tables 11 and 12; and Kenneth E. Quindry, State and Local Revenue Potential, 1971, Tables 11 and 12.

Columbia and Louisiana have special lower rates, and North Dakota has a limited exemption for milk and meat products. Thirty states have full or limited exemptions for drugs and medicines.[10] Other states either exempt or tax at special lower rates many items of manufacturing machinery, pollution control facilities, and other items related to agricultural and industrial production.

Practices vary in the taxation of services and tangible goods such as gasoline, liquor, public utility bills, and admissions which may be taxed under selective sales taxes. Sometimes they are taxed under both general and special levies.

Four states[11] did not employ a general sales tax in 1972. Twenty-one states had significant revenues from local sales taxes. As of January 1, 1973, twenty-six states permitted one or more of their local governments to levy a local sales tax. Most widespread use of the local sales tax is found in Alabama, California, Illinois, Oklahoma, Tennessee, and Texas.

Revenue from the general sales taxes for all states increased by $20,292 million to $2.5 billion in 1972, while unutilized potential grew by $364 million to $2.5 billion (Table I). Revenue

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[10] Advisory Commission on Intergovernmental Relations, State-Local Finances: Significant Features and Suggested Legislation (Washington, D. C.: Government Printing Office, 1972) Table 86.

[11] Delaware, Montana, Oregon, and New Hampshire.

TABLE I

STATE AND LOCAL GENERAL SALES TAXES, COLLECTIONS AND UNUTILIZED POTENTIAL, BY REGION, 1971 AND 1972, WITH PERCENTAGE CHANGE

Region	Collections (amounts in millions) 1971	1972	Percentage Change	Unutilized Potential (amounts in millions) 1971	1972	Percentage Change
New England States	$ 650	$ 774	19.1	$ 502	$ 520	3.6
Middle Atlantic States	3,579	4,022	12.4	312	537	72.1
North Central States	4,670	5,236	12.1	598	695	16.2
SREB States	4,775	5,686	19.1	426	395	(7.3)
Mountain States	951	1,124	18.2	119	136	14.3
Pacific States	3,092	3,368	8.9	202	233	15.4
District of Columbia	78	82	5.1	16	22	37.5
TOTAL	17,795	20,292	14.0	2,174	2,538	16.7

Source: Table 1; and, Kenneth E. Quindry, State and Local Revenue Potential, 1971, Table 1.

grew by 14.0 percent and unutilized potential by 16.7 percent. Increases in collections were led by the New England states (Connecticut) and the SREB states (Tennessee and Texas, in particular, because of increased rates, but all states showed considerable growth). As expected, unutilized potential was relatively low in these areas. Both collections and unutilized potential were affected in the Middle Atlantic states by a decline in collections in Pennsylvania. The Mountain states made relatively good use of their increased potential, but the North Central and Pacific states did not take equal advantage of their greater potential.

Data contained in Table 13 indicate that per capita collections in 1972 were highest in the Pacific states, followed by the Middle Atlantic and the SREB states, while collections per $1,000 of personal income were highest in the Pacific states followed by the SREB and the Mountain states. If all states not applying the average rate per $1,000 of personal income had done so, the rankings would have remained virtually unchanged.

The Selective Sales Taxes (Tables 2 and 14)

Data are presented in Tables 2 and 14 on major selective sales taxes and one category of all other selective sales taxes. The most productive are those taxes on alcoholic beverages, tobacco products, insurance, and public utilities. Sales of these goods, except insurance, are usually included in the general sales tax base. Insurance premiums are taxed by special premiums taxes.

For purposes of this study, net profits from publicly owned utilities and from state owned liquor stores were combined with state

and local taxes. The assumption is that such profits are in lieu of taxation, and the profits contribute to the general funds of state and local governments.

Utility profits were computed by subtracting current operating expenses, including interest on debts, from current operating revenues. By the same token, current expenses were subtracted from gross revenues to reach a net profits figure for state-owned liquor stores. Profits from municipal liquor stores in South Dakota and North Carolina were not included because data were not available.

Alcoholic beverage, cigarette, and insurance sales taxes are employed in all fifty states. One state (Massachusetts) did not report revenue from a public utility sales tax.

Cigarette tax rates vary from a high of 21 cents per package of 20 in Connecticut to a low of 2 cents in North Carolina. Of the fifty states, twenty-seven have rates of 12 cents or above, and only two (Illinois and Nebraska) fail to collect above-average amounts per $1,000 of personal income. Over 40 percent of the unused potential is found in the SREB states because of extreme low rates in Kentucky, North Carolina, and Virginia. About one-third of the states supplement cigarette tax revenues with taxes on other tobacco products.

Total collections and unutilized potential as presented in Table J increased approximately equally from 1971 to 1972 (10.5 and 10.3 percent, respectively). The Middle Atlantic region states reduced their unutilized potential by increasing revenues by 11.0 percent. The North Central and the Pacific regions increased

revenues only mildly and as a consequence unutilized potential increased substantially.

Death and Gift Taxes (Table 3)

State death taxes usually have graduated rates. States employ various exemption policies in regard to persons, charitable contributors, and types of property. Additionally, some states impose a death and gift tax solely for the purpose of reclaiming the federal credit for state imposition of the tax. Other states employ an additional estate or inheritance tax, or both. Fifteen states levy a gift tax.[12]

Five states use the estate "pickup" tax only;[13] two states use an estate tax only;[14] two states use an inheritance tax only;[15] two states use an inheritance, estate, and "pickup" tax;[16] seven states use an estate and "pickup" tax;[17] and, one state (Nevada) has no death or gift tax. The diversity of the taxes used is no more

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[12] California, Colorado, Delaware, Louisiana, Minnesota, North Carolina, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Virginia, Vermont, Washington, and Wisconsin.

[13] Alabama, Alaska, Arkansas, Florida, and Georgia.

[14] Mississippi and North Dakota.

[15] South Dakota and West Virginia.

[16] Oregon and Rhode Island.

[17] Arizona, New York, Ohio, Oklahoma, South Carolina, Utah, and Vermont.

TABLE J

STATE AND LOCAL SELECTIVE SALES TAXES, COLLECTIONS AND UNUTILIZED POTENTIAL, BY REGION, 1971 AND 1972, WITH PERCENTAGE CHANGE

Region	Collections (amounts in millions)			Unutilized Potential (amounts in millions)		
	1971	1972	Percentage Change	1971	1972	Percentage Change
New England States	$ 594	$ 688	15.8	$ 162	$ 165	1.9
Middle Atlantic States	1,983	2,219	11.9	411	348	(15.3)
North Central States	2,434	2,547	4.6	683	812	18.9
SREB States	3,157	3,609	14.3	353	396	12.2
Mountain States	543	610	12.3	91	106	16.5
Pacific States	1,170	1,245	6.4	382	472	23.6
District of Columbia	49	52	6.1	20	22	10.0
TOTAL	9,929	10,971	10.5	2,103	2,320	10.3

Source: Tables 2 and 12; and, Kenneth E. Quindry, State and Local Revenue Potential, 1971, Tables 2 and 12.

important than the rate and base structure in garnering revenues from death and gift taxes.

Over 95 percent of the unutilized potential, but only 35 percent of collections from death and gift taxes, were found in the SREB and North Central states in 1972. No unutilized potential was found in the Northeast or the Middle Atlantic states. The SREB states alone had almost half of the unutilized potential of $295 million but only 15 percent of the total collections of $1,292 million.

The Property Taxes (Tables 4 and 15)

As in past years, property taxes continued to be used more intensively in the New England and Midwest regions of the United States. Only 16 percent of the total U. S. collections were registered in the SREB states in 1972 (but almost 70 percent of the unutilized potential).

Property taxes remained the largest source of state and local tax revenue in 1972 as in past years. While it showed the largest absolute growth from 1971 to 1972 of any tax source ($4.2 billion), its percentage growth was less than that for general sales and individual and corporate income taxes and a few minor taxes.

The tax burden, however, is not quite as great and increasing to the degree indicated by the data. All fifty states have some form of property tax relief; about two-thirds of the states finance all or a part of the relief at the state level. Property tax collections are not reduced at the local level by state financed relief,

but state tax collections are inflated by collections to finance local relief.

Because of complex and diverse homestead relief, selective credits, exemptions of all or a part of personal property (especially intangibles), selective exemptions to encourage industrial development, policies in regard to tax exempt institutions, and such, it is impossible to characterize bases or rate structures. The quality of administration and assessment of property taxes are also influential in their effects on tax collections in several states.

As with previous revenue sources, unutilized potential is related to growth in the common denominator (personal income) and the growth in collections. Regions for which tax collections grew at a lower rate than personal income had an increase in unutilized potential (see Table K). The New England states and the Pacific states had an actual decline in their relatively insignificant amounts of unutilized potential. In three regions (North Central, SREB, and Mountain) percentage increases in unutilized potential exceeded growth in collections.

The Individual Income Taxes (Tables 5 and 16)

Six states[18] did not employ an individual income tax in 1972. Four states[19] restricted the tax to selected income sources. Forty states employed a broad-based income tax, and ten of these[20] permitted

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18 Florida, Nevada, South Dakota, Texas, Washington, and Wyoming.

19 Connecticut, New Hampshire, New Jersey, and Tennessee.

20 Delaware, New York, Pennsylvania, Michigan, Missouri, Ohio, Alabama, Kentucky, Maryland, and California.

TABLE K

STATE AND LOCAL PROPERTY TAXES, COLLECTIONS AND UNUTILIZED POTENTIAL, BY REGION, 1971 AND 1972, WITH PERCENTAGE CHANGE

Region	Collections (amounts in millions)			Unutilized Potential (amounts in millions)		
	1971	1972	Percentage Change	1971	1972	Percentage Change
New England States	$ 3,102	$ 3,518	13.4	$ 2	$ 1	(50.0)
Middle Atlantic States	8,354	9,395	12.5	689	744	8.0
North Central States	11,260	12,410	10.2	375	426	13.6
SREB States	6,167	6,818	10.6	3,297	3,908	18.5
Mountain States	1,699	1,875	10.4	244	324	32.8
Pacific States	7,134	7,976	11.8	155	151	(2.6)
District of Columbia	135	141	4.4	60	70	16.7
TOTAL	37,852	42,132	11.3	4,823	5,623	16.6

Source: Table 4; and, Kenneth E. Quindry, State and Local Revenue Potential, 1971, Table 4.

one or more local jurisdictions to employ local taxes (including local business income taxes). Thirty-five of the states employ progressive rate structures and five[21] flat rates. Personal deductions and exemptions vary, though conformity to federal regulations both in the base (with modifications) and in exemptions and deductions is becoming standard.

Productivity of the income tax is influenced by rate structures and deduction and exemption policies. It is also influenced by the level and the distribution of taxable income. In some states low income families and individuals are fully exempted from tax liability or their liability is low because of relatively high personal deductions and exemptions and low rates at the low end of the rate schedule. If a large number of taxpayers are in the low income class, the yield is low. Conversely, a large number of middle and high income taxpayers provide high tax capacity. Table 35 lists the percentage of families by federal adjusted gross income class by state.

SREB states continue to make less use of the individual income tax than do other regions, largely because two large states, Florida and Texas, do not apply the tax in any form. However, Maryland employs the tax rather effectively both at the state and the local levels. Kentucky, North Carolina, and South Carolina have reasonable income tax yields, but below-average.

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[21] Illinois, Indiana, Nebraska, Ohio, and Pennsylvania.

According to data in Table L, revenue gains were greatest in the New England and Pacific states and least in the SREB states. Two regions, the Middle Atlantic and the Pacific states increased revenues sufficiently to reduce unutilized potential. Unutilized potential grew significantly in the SREB and the Mountain regions due to the significant growth in personal income and the failure to increase yield from this tax source correspondingly.

The Corporate Income Taxes (Tables 5 and 17)

After a one year decline in revenues because of a business slump, corporate income tax collections increased again in 1972 over 1971. The 28.7 percent increase in collections produced an increase to $5.09 from $4.75 per $1,000 of personal income. For all states, unutilized potential remained almost constant, increasing only to $1,278 thousands from $1,263 thousands.

In analyzing state performances, somewhat the same procedures should be followed as was used for individual income taxes. Tax bases are being standardized along federal lines. The use of federal depletion allowances, investment credits, and depreciation practices is becoming common. The formulas for apportioning income to states still vary. Differences in revenue potential and relative use of this source usually hinge on rate schedules. The relationship of business income to personal income provides a limitation to the present analysis.

The North Central states showed the greatest percentage growth in revenues largely because 1972 was the first year for which Ohio collected revenue from this source. Because of this unutilized

TABLE L

STATE AND LOCAL INDIVIDUAL INCOME TAXES, COLLECTIONS AND UNUTILIZED POTENTIAL BY REGION, 1971 AND 1972, WITH PERCENTAGE CHANGE

Region	Collections (amounts in millions)			Unutilized Potential (amounts in millions)		
	1971	1972	Percentage Change	1971	1972	Percentage Change
New England States	$ 688	$ 952	38.4	$ 355	$ 389	9.6
Middle Atlantic States	3,658	4,655	27.3	833	742	(10.9)
North Central States	3,220	4,202	30.5	1,188	1,414	19.0
SREB States	2,038	2,437	19.6	1,889	2,558	35.4
Mountain States	477	603	26.4	245	340	38.8
Pacific States	1,659	2,249	35.6	554	494	(10.8)
District of Columbia	130	137	5.4	-	-	-
TOTAL	11,872	15,234	28.3	5,064	5,938	17.3

Source: Table 5; and, Kenneth E. Quindry, State and Local Revenue Potential, 1971, Table 5.

potential for the region decreased (Table M). In the SREB states, Florida collected revenue from this source for the first time. In spite of the significant increase in revenue, unutilized potential grew significantly, but the growth was surpassed by that in the New England, the Middle Atlantic, and the Mountain regions.

License and Motor Fuel Taxes (Tables 6, 7, and 8)

License taxes are reported in three categories: state alcoholic beverage licenses (Table 6), motor vehicle license taxes including local vehicle and driver's license fees (Table 7), and other license taxes (Table 11).

Alcoholic Beverage Licenses (Table 6). Licenses taxes are placed by the state on sellers, handlers, and producers of alcoholic beverage products in every state except Hawaii. Localities in several states also collect revenue from this source, and this must be considered in assessing the relative use of alcoholic beverage license taxes. Local collections are included with other license taxes in Table 11. Publicly owned liquor stores (in 19 states) are not entirely subject to all license fees. In several states, pockets of prohibition and abstinence restrict revenue productivity.

Revenue from this source for all states grew by 10.6 percent, from 1971 to 1972, to $136 million. Over 60 percent of the $13 million increase was in an SREB state (Florida). Elsewhere there was only minor net change.

Unutilized potential increased by 10.3 percent to $44.6 million, from 1971 to 1972, with a reduction of 4.5 percent in the SREB states.

TABLE M

STATE AND LOCAL CORPORATE INCOME TAXES, COLLECTIONS AND UNUTILIZED POTENTIAL, BY REGION, 1971 AND 1972, WITH PERCENTAGE CHANGE

Region	Collections (amounts in millions)			Unutilized Potential (amounts in millions)		
	1971	1972	Percentage Change	1971	1972	Percentage Change
New England States	$ 384	$ 422	9.9	$ 11	$ 13	18.2
Middle Atlantic States	1,129	1,400	24.0	55	77	40.0
North Central States	592	958	61.8	570	476	(16.5)
SREB States	611	757	23.9	444	498	12.2
Mountain States	124	143	15.3	75	96	28.0
Pacific States	579	722	24.7	87	94	8.1
District of Columbia	-	-	-	21	24	14.3
TOTAL	3,420	4,401	28.7	1,263	1,278	1.2

Source: Table 5; and, Kenneth E. Quindry, State and Local Revenue Potential, 1971, Table 5.

Tax potential grew, but utilization decreased (increasing unutilized potential by 47.8 percent) in the Pacific states. In the Mountain states, Colorado was responsible for increased revenues as the potential rose, limiting the growth of unutilized potential to mildly above-average.

Motor Vehicle Licenses (Table 7). Unutilized potential for motor vehicle related taxes in Tables 7 and 8 were computed using average collections per registered motor vehicle multiplied by the number of registered vehicle by state.

Differences in the rates of automobiles to trucks and busses may cause state variations in collections. Automobile license fees, however, far outweigh fees from other types of motor vehicles in all states.

The relative productivity of this source may be explained in additional ways. Some states secure motor vehicle uses revenue more heavily from fuels or property taxes in lieu of a vigorous effort in collecting license fees. Two states (California and Georgia) apply the general sales tax rate to motor fuel sales. Widespread use of local license fees is indicated in twenty-one states (ten among the SREB states and six in the North Central). Revenue from this source increased to $3.3 billion, a growth of 6.3 percent while unutilized revenue increased to $529 million, an increase of 37.1 percent. The increase in both revenue and unutilized potential was approximately equal in all regions.

Motor Fuel Taxes (Table 8). Motor fuel taxes are gallonage taxes based on sales of gasoline and other fuels used to propel or

otherwise operate combustion engines. The statistics for this tax are logically grouped with motor vehicle users taxes even though it may also be appropriately labeled a selective sales tax.

A gasoline tax is, with one exception, supplemented with motor fuels taxes for diesel fuels and low-pressure gas used to propel motor vehicles. The tax is generally restricted to fuels used on public highways, though a few states now apply a tax to aviation and motor boat fuels. Some states also levy taxes on motor oils and lubricants as well as petroleum inspection fees.

Fuels used for nonhighway purposes are either not taxes initially or the tax is partially or wholly refunded. Practices differ in refund policy as well as for discounts on evaporation and spillage. Rate differences, however, account for most variations in productivity of this source.

Rates vary from a high of 10 cents per gallon in Connecticut to 5 cents per gallon in Texas. Thirty states have a rate in excess of 7 cents and only two less than 7 cents.

Collections increased to $7.3 billion in 1972 from $6.7 billion in 1971, a growth of 9.1 percent, while unutilized potential grew by 15.5 percent to $388 million in 1972. Revenue growth was greatest in the New England states where unutilized potential decreased by 81.2 percent. The SREB states were second in revenue growth and last of the six regions in growth of unutilized potential.

Severance Taxes (Table 9)

Severance taxes are imposed upon the value of natural resources as they are severed from the land or water. They may be applied in

lieu of or in addition to property taxes on the value of the severed products. Because some states have no significant extractive industries, value of severed products is a better relative measure of revenue potential than personal income. To compute revenue potential, the average tax rate per $1,000 of severed products was multiplied by the value of severed products for each state.

Severance taxes are most practicable and profitable in states having high concentrations of oil and gas production. States having extensive production of coal, timber, fish, sand, gravel, and such are less inclined to impose production taxes because of the low profitability of the industries. Nonetheless, both Kentucky and Tennessee have recently adopted coal severance taxes. Louisiana, Oklahoma, and Texas are unique in their ability to exploit this source. However, California, Illinois, and Pennsylvania with large oil industries have failed to utilize this source of taxation extensively. In Minnesota, taxation of iron ore extraction is relatively remunerative. In some cases, dependence on severance taxes helps to explain underutilization of other tax sources.

The value of severed products in the United States increased to $31.6 billion in 1972, up from $27.7 billion in 1971. This 14.1 percent increase can be compared with only a 3.4 percent increase in tax revenue and a 3.5 percent increase in unutilized potential.

Transfer Taxes (Table 10)

Transfer taxes include a range of tax levies from those on real estate transfers to levies on all transfers of wealth (mortgages,

stocks, bonds, etc.). Productivity of the tax is affected by the inclusiveness of the base as well as by the rates. New York is in an especially favorable position to garner revenue from its documentary tax. Over two-thirds of all state transfer taxes are collected in that state.

Attention should be called to the fact that taxes reported in Table 10 reflect only state collections. Many states levy only local taxes on both state and local taxes. Locally collected taxes are included in "Other and Unallocable" category of Table 11. The local use of this source is sometimes in lieu of state use.

Revenues grew by 32.9 percent between 1971 and 1972 to $505 million, with 4.5 percent of the growth being in New York. The favorable performance of the housing and construction industries during these years caused revenues to flourish in other states. Unutilized potential grew by an even greater percentage than revenues; from $241 million in 1971 to $347 million in 1972, a percentage growth of 44.0 percent.

Miscellaneous and Other and Unallocable Taxes, Total Taxes (Table 11)

Two other tax sources merit brief mention. Pari-mutuel taxes are especially productive in a few states where the traditions of horse and dog racing are strong and primarily where there is extensive tourism. A few states still maintain legal prohibitions against race track betting. Some states have extended wagering to off-track betting.

State lotteries are now being used in six states and others are considering them. Improvements in administration and adjustments in prizes granted have vastly improved their productivity. Legal prohibition and lack of social acceptance still exist, however, in a large number of states.

CONCLUSION

In general terms, the data contained in Tables 1 - 11 indicate that both collections and unutilized potential have increased impressively. In most cases, unutilized potential is related to significant growth in personal income while the actual tax base increased at a lesser rate. In some regions, personal income grew at rates greater than in others. This tended to increase the unutilized potential faster unless tax rates and bases were expanded to correspond to the growth in personal income.

Total receipts of state and local taxes increased by 14.2 percent while personal income increased by 9.1 percent and unutilized potential by 15.3 percent.

Unutilized potential growth was greatest in the SREB and the Mountain states where personal income also grew at the fastest rates. The major tax source showing greatest growth in unutilized potential was the individual income tax, followed closely by the general sales tax and the property tax.

Relative tax burdens (Table 19) did not shift substantially by state from 1971 to 1972. Those states high in burdens in 1971 remained so in 1972. There were some minor shifts, however. For

example, Maine, Mississippi, and Vermont remained near the top in 1972 but were ranked (1) Vermont, (2) Maine, and (3) Mississippi rather than 2, 4, and 1 respectively, as in 1971. South Dakota fell from third to fifth in the rankings, and Maine rose from fourth to second. Least heavily burdened taxpayers were found in Alaska, New Jersey, and Ohio in both years.

Several things influence the ranking of tax burden. The computations do not reflect the distribution of incomes, only the total and the average amounts. Nor is there any consideration given to the amount of taxes nominally levied on taxpayers able to shift the tax burden to out-of-state residents. Tax exporting is significant in states employing severance taxes and in manufacturing states.

Table 36 lists tax capacity as a total of actual collections plus net unutilized capacity. Net unutilized capacity is the amount of underutilization of some tax sources less the amount of overutilization of other sources. Under- and overutilization is reported by tax source for the SREB states in Tables 20 through 34.

Nine states and three regions show a net overutilization of tax capacity in 1972 according to this measure. Overutilization was most common in the New England and Middle Atlantic states (five states and both regions). No SREB state overutilized its capacity in 1972. In fact, the general finding is that SREB states tend to use their capacity to a lesser extent than any other region.

STATISTICAL TABLES

TABLE 1

POPULATION, PERSONAL INCOME AND STATE AND LOCAL GENERAL SALES AND GROSS RECEIPTS TAX REVENUE FOR STATES, REGIONS AND THE UNITED STATES, 1972
(Collections in Thousands)

State and Region	Population July 1, 1972 (thousands)	Personal Income 1972* (millions)	Amount Collected 1972	Potential Tax Yield at Average Rate	Unutilized Potential
New England States	12,099	$ 57,544	$ 774,293	$1,273,488	$ 519,681
Connecticut	3,082	16,421	358,630	363,408	4,778
Maine	1,029	3,714	102,678	82,193	--
Massachusetts	5,787	28,096	200,337	621,784	421,447
New Hampshire	771	3,270	--	72,367	72,367
Rhode Island	968	4,340	91,082	96,047	4,965
Vermont	462	1,703	21,566	37,689	16,123
Middle Atlantic States	38,224	191,003	4,021,662	4,227,030	537,420
Delaware	565	2,931	--	64,865	64,865
New Jersey	7,367	38,543	579,557	852,984	273,427
New York	18,366	96,280	2,462,795*	2,130,744	--
Pennsylvania	11,926	53,249	979,310	1,178,438	199,128
North Central States	57,553	264,495	5,235,860	5,853,454	694,531
Illinois	11,251	57,829	1,334,567*	1,279,796	--
Indiana	5,291	23,101	437,168	511,241	74,073
Iowa	2,883	12,396	218,725	274,332	55,607
Kansas	2,258	10,058	180,357	222,591	42,234
Michigan	9,082	44,325	985,489	980,944	--
Minnesota	3,896	16,746	271,828*	370,601	98,773
Missouri	4,753	20,403	407,975*	451,533	43,558
Nebraska	1,525	6,642	111,785*	146,992	35,207
North Dakota	632	2,363	60,970	52,295	--
Ohio	10,783	48,888	779,117*	1,081,925	302,808
South Dakota	679	2,512	64,532	55,592	--
Wisconsin	4,520	19,232	383,347	425,618	42,271
SREB States	60,909	238,115	5,686,301	5,269,647	394,793
Alabama	3,510	12,004	323,980*	265,657	--
Arkansas	1,978	6,656	145,073	147,302	2,229
Florida	7,259	31,779	875,775	703,292	--

State and Region	Population July 1, 1972 (thousands)	Personal Income 1972 (millions)	Amount Collected 1972	Potential Tax Yield at Average Rate	Unutilized Potential
SREB States (Continued)					
Georgia	4,720	$ 18,451	$ 425,442	$ 408,334	$ --
Kentucky	3,299	11,905	318,068	263,466	--
Louisiana	3,720	13,179	424,365*	291,661	--
Maryland	4,056	19,803	291,968	438,254	146,286
Mississippi	2,263	7,099	282,445	157,106	--
North Carolina	5,214	19,809	353,017*	438,387	85,370
South Carolina	2,665	9,268	245,497	205,107	--
Tennessee	4,031	14,796	455,208*	327,446	--
Texas	11,649	46,486	975,901*	1,028,768	52,867
Virginia	4,764	20,478	345,152*	453,193	108,041
West Virginia	1,781	6,402	224,410	141,681	--
Mountain States	11,474	46,965	1,123,782	1,039,368	136,172
Arizona	1,945	8,292	278,978*	183,508	--
Colorado	2,357	10,782	256,913*	238,613	--
Idaho	756	2,858	51,704	63,250	11,546
Montana	719	2,875	--	63,626	63,626
Nevada	527	2,676	68,592*	59,222	--
New Mexico	1,065	3,796	139,319*	84,008	--
Oklahoma	2,634	9,995	160,196*	221,196	61,000
Utah	1,126	4,197	130,520*	92,883	--
Wyoming	345	1,494	37,560	33,063	--
Pacific States	27,227	132,543	3,368,232	2,933,268	233,491
Alaska	325	1,671	10,500*	36,980	26,480
California	20,468	102,099	2,523,700*	2,259,523	--
Hawaii	809	4,020	186,368	88,965	--
Oregon	2,182	9,354	--	207,011	207,011
Washington	3,443	15,399	647,664*	340,791	--
District of Columbia	748	4,686	82,000	103,704	21,704
All States Including District of Columbia	208,234	$935,351	$20,292,112	$20,699,872	$2,537,782

All notes and footnotes are on page 112.

TABLE 2

STATE AND LOCAL SELECTIVE SALES AND GROSS RECEIPTS TAX REVENUE,
FOR STATES, REGIONS, AND THE UNITED STATES, 1972
(In Thousands)

State and Region	Alcoholic Beverages			Tobacco Products		
	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
New England States	144,949	$ 130,917	$ 21,410	$ 240,388	$ 184,504	$ --
Connecticut	24,109	37,359	13,250	68,136	52,651	--
Maine	18,512**	8,450	--	18,734	11,908	--
Massachusetts	58,906	63,921	5,015	105,047	90,085	--
New Hampshire	25,103**	7,440	--	23,978	10,485	--
Rhode Island	6,729	9,874	3,145	16,856	13,915	--
Vermont	11,590**	3,874	--	7,637	5,460	--
Middle Atlantic States	331,261	434,547	137,237	695,946	612,416	--
Delaware	4,907	6,668	1,761	11,811	9,398	--
New Jersey	48,921*	87,688	38,767	136,131	123,581	--
New York	122,336	219,045	96,709	325,384	308,704	--
Pennsylvania	155,097**	121,146	--	222,620	170,733	--
North Central States	523,707	601,747	141,215	815,255	848,054	63,333
Illinois	72,167	131,566	59,399	172,447	185,418	12,971
Indiana	21,654	52,557	30,903	45,060	74,069	29,009
Iowa	31,862**	28,202	--	40,108	39,745	--
Kansas	12,926	22,883	9,957	26,664	32,249	5,585
Michigan	127,496**	100,843	--	128,620	142,120	13,500
Minnesota	41,813	38,099	--	60,012	53,693	--
Missouri	22,029	46,418	24,389	69,807	65,418	--
Nebraska	7,180	15,111	7,931	19,513	21,296	1,783
North Dakota	4,964	5,376	412	7,092	7,577	485
Ohio	140,371**	111,224	--	164,728	156,750	--
South Dakota	4,913	5,715	802	8,155	8,054	--
Wisconsin	36,332	43,754	7,422	73,049	61,664	--
SREB States	759,732	541,731	60,484	778,240	763,471	148,701
Alabama	66,687***	27,310	--	46,697	38,489	--
Arkansas	13,066	15,143	2,077	35,380	21,341	--
Florida	139,292	72,300	--	137,527	101,893	--
Georgia	85,980*	41,978	--	64,452	59,160	--
Kentucky	13,740	27,085	13,345	16,662	38,171	21,509

Insurance Taxes			Public Utilities			Other Selective Sales Taxes		
Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
$ 136,593	$ 91,466	$ 3,361	$ 94,778	$ 213,659	$120,133	$ 71,492	$ 63,075	$ 19,679
50,080	26,101	--	61,415	60,971	--	7,040	17,999	10,959
5,382	5,903	521	9,076	13,790	4,714	--	4,071	4,071
68,985	44,659	--	--	104,320	104,320	43,819	30,797	--
2,674	5,198	2,524	2,310	12,141	9,831	9,179	3,584	--
6,583	6,898	315	16,922	16,114	--	109	4,757	4,648
2,889	2,707	--	5,055	6,323	1,268	11,345	1,867	--
286,446	303,600	24,438	680,454	709,188	116,503	225,321	209,363	69,534
5,697	4,659	--	12,483	10,883	--	539	3,213	2,674
47,097	61,264	14,167	229,278*	143,109	--	10,531	42,248	31,717
159,283	153,037	--	266,506*	357,484	90,978	191,027	105,535	--
74,369	84,640	10,271	172,187	197,712	25,525	23,224	58,368	35,144
341,029	420,416	84,814	826,547	982,061	271,308	40,600	289,919	251,514
49,524	91,919	42,395	302,727*	214,717	--	18,259	63,388	45,129
38,207	36,719	--	25,220	85,773	60,553	50	25,322	25,272
18,547	19,703	1,156	17,200*	46,026	28,826	1,024	13,588	12,564
15,349	15,987	638	30,394*	37,345	6,951	--	11,025	11,025
55,474	70,455	14,981	53,400*	164,577	111,177	99	48,586	48,487
29,939	26,618	--	75,856*	62,177	--	6,208	18,356	12,148
28,845	32,431	3,586	89,861*	75,756	--	2,413	22,364	19,951
9,200	10,557	1,357	24,000*	24,662	662	582	7,280	6,698
3,699	3,756	57	1,785	8,774	6,989	538	2,590	2,052
64,448	77,708	13,260	158,677	181,520	22,843	3,200	53,587	50,387
4,611	3,993	--	3,665	9,327	5,662	4,948	2,753	--
23,186	30,569	7,383	43,762	71,408	27,646	3,279	21,081	17,802
415,530	378,484	13,241	1,196,434	884,113	104,499	459,197	261,004	69,330
25,976	19,080	--	89,865*	44,570	--	5,320	13,158	7,838
10,966	10,580	--	18,400*	24,714	6,314	200	7,296	7,096
45,415	50,513	5,098	222,968*	117,994	--	8,865	34,834	25,969
34,365	29,328	--	58,200*	68,508	10,308	5,500	20,225	14,725
31,750	18,923	--	17,500*	44,203	26,703	45,961	13,049	--

TABLE 2 (Continued)

State and Region	Alcoholic Beverages			Tobacco Products		
	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
SREB States (Continued)						
Louisiana	$ 41,203*$	29,983	$ --	$ 47,464	$ 42,456	$ --
Maryland	17,994	445,053	27,059	30,336	63,495	33,159
Mississippi	22,344**	16,151	--	22,350	22,762	412
North Carolina	71,032	45,067	--	18,891	63,514	44,623
South Carolina	48,711	21,085	--	19,373	29,716	10,343
Tennessee	46,782*	33,662	--	56,850	47,441	--
Texas	87,757	105,759	18,002	231,608	149,049	--
Virginia	70,333**	46,589	--	27,003	65,659	38,656
West Virginia	34,811**	14,565	--	23,647	20,527	--
Mountain States	107,907	106,849	22,142	134,822	150,584	28,474
Arizona	13,065*	18,865	5,800	26,413	26,587	174
Colorado	13,379	24,530	11,151	17,808	34,570	16,762
Idaho	12,810**	6,502	--	6,136	9,164	3,028
Montana	13,680**	6,541	--	10,298	9,218	--
Nevada	7,425	6,088	--	9,548	8,580	--
New Mexico	5,135	8,636	3,501	12,686	12,171	--
Oklahoma	29,054	22,739	--	42,196	32,047	--
Utah	11,650**	9,549	--	6,195	13,457	7,262
Wyoming	1,709**	3,399	1,690	3,542	4,790	1,248
Pacific States	247,143	301,546	120,477	328,279	424,974	99,482
Alaska	4,838	3,802	--	3,221	5,358	2,137
California	111,806	232,283	120,477	246,711	327,362	80,651
Hawaii	9,426	9,146	--	6,527	12,889	6,362
Oregon	40,234**	21,281	--	19,659	29,992	10,333
Washington	80,839**	35,034	--	52,161	49,374	--
District of Columbia	13,300*	10,661	--	6,100	15,025	8,925
All States Including District of Columbia	$2,127,999	$2,127,984	$502,965	$2,999,030	$2,999,009	$348,915

Insurance Taxes			Public Utilities			Other Selective Sales Taxes		
Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
$ 27,082	$ 20,948	$ --	$ 53,292*	$ 48,933	$ --	$ 13,673	$ 14,446	$ 773
26,732	31,477	4,745	48,060*	73,528	25,468	70,623	21,707	--
15,381	11,284	--	11,502*	26,358	14,856	9,587	7,781	--
35,481	31,486	--	123,056	73,550	--	19,192	21,713	2,521
16,655	14,732	--	33,632	34,412	780	11,214	10,159	--
26,795	23,518	--	94,266*	54,937	--	5,809	16,218	10,409
70,491	73,890	3,399	274,589*	172,601	--	189,907	50,954	--
35,597	32,550	--	147,404*	76,034	--	43,390	22,446	--
12,844	10,176	--	3,700*	23,770	20,070	29,956	7,017	--
83,621	74,651	3,831	196,012	174,379	23,592	87,299	51,479	28,114
11,217	13,180	1,963	60,035*	30,788	--	3,100	9,089	5,989
16,200	17,138	938	47,412*	40,033	--	994	11,818	10,824
5,603	4,543	--	4,850	10,612	5,762	--	3,133	3,133
6,376	4,570	--	5,294	10,675	5,381	--	3,151	3,151
3,757	4,254	497	5,582*	9,936	4,354	51,347	2,933	--
7,063	6,034	--	11,602*	14,094	2,492	8,571	4,161	--
24,792	15,887	--	45,710*	37,111	--	22,065	10,956	--
6,430	6,671	241	12,727*	15,583	2,856	1,222	4,600	3,378
2,183	2,375	192	2,800	5,547	2,747	--	1,638	1,638
216,077	210,677	5,758	362,483	492,128	185,894	90,997	145,283	60,117
3,476	2,656	--	4,169	6,204	2,035	--	1,832	1,832
167,401	162,287	--	215,408*	379,090	163,682	67,987	111,913	43,926
8,278	6,390	--	23,661*	14,926	--	--	4,406	4,406
18,203	14,868	--	14,555*	34,731	20,176	300	10,253	9,953
18,719	24,477	5,758	104,690*	57,176	--	22,710	16,879	--
--	7,448	7,448	11,900*	17,399	5,499	21,100	51,136	--
1,479,296	$1,486,734	$142,890	$3,368,608	$3,472,906	$827,427	$ 996,006	$1,025,260	$498,287

All notes and footnotes are on page 112.

TABLE 3

STATE DEATH AND GIFT TAX REVENUE, FOR STATES, REGIONS, AND THE UNITED STATES, 1972
(In Thousands)

State and Region	Amount Collected	Potential Yield at Average Rate	Unutilized Potential
New England States	$ 136,130	$ 80,086	$ --
Connecticut	49,919	22,854	--
Maine	7,390	5,169	--
Massachusetts	61,245	39,102	--
New Hampshire	4,889	4,551	--
Rhode Island	8,984	6,040	--
Vermont	3,703	2,370	--
Middle Atlantic States	380,704	265,827	--
Delaware	4,397	4,079	--
New Jersey	74,627	53,642	--
New York	177,286	133,997	--
Pennsylvania	124,394	74,109	--
North Central States	251,589	368,109	128,496
Illinois	63,534	80,483	16,949
Indiana	17,475	32,151	14,676
Iowa	20,255	17,252	--
Kansas	9,382	13,998	4,616
Michigan	32,530	61,689	29,159
Minnesota	25,772	23,306	--
Missouri	19,167	28,396	9,229
Nebraska	844	9,244	8,400
North Dakota	988	3,289	2,301
Ohio	25,648	68,040	42,392
South Dakota	2,721	3,496	775
Wisconsin	33,273	26,766	--
SREB States	199,374	331,395	138,408
Alabama	3,509	16,707	13,198
Arkansas	1,332	9,263	7,931
Florida	31,341	44,228	12,887

State and Region	Amount Collected	Potential Yield at Average Rate	Unutilized Potential
SREB States (Continued)			
Georgia	$ 6,865	$ 25,679	$ 18,814
Kentucky	14,054	16,569	2,515
Louisiana	9,899	18,342	8,443
Maryland	11,250	27,561	16,311
Mississippi	3,333	9,880	6,547
North Carolina	23,215	27,569	4,354
South Carolina	6,535	12,899	6,364
Tennessee	26,979	20,592	--
Texas	39,308	64,697	25,389
Virginia	16,156	28,500	12,344
West Virginia	5,598	8,910	3,312
Mountain States	55,521	65,363	17,288
Arizona	5,631	11,540	5,909
Colorado	15,885	15,006	--
Idaho	5,174	3,978	--
Montana	4,557	4,001	--
Nevada	--	3,724	3,724
New Mexico	1,685	5,283	3,598
Oklahoma	18,725	13,910	--
Utah	2,817	5,841	3,024
Wyoming	1,047	2,079	1,032
Pacific States	268,206	184,466	4,295
Alaska	98	2,326	2,228
California	221,205	142,096	--
Hawaii	3,635	5,595	1,960
Oregon	12,911	13,018	107
Washington	30,357	21,431	--
District of Columbia	(a)	6,522	6,522
All States Including District of Columbia	$1,291,524	$1,301,762	$295,008

All notes and footnotes are on page 112.

TABLE 4

STATE AND LOCAL GENERAL PROPERTY TAX REVENUE, FOR STATES, REGIONS, AND THE UNITED STATES, 1972
(In Thousands)

State and Region	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
New England States	$ 3,517,670	$ 2,592,027	$ 1,092
Connecticut	948,300	739,673	--
Maine	209,619*	167,295	--
Massachusetts	1,875,073*	1,265,564	--
New Hampshire	191,062*	147,295	--
Rhode Island	194,400	195,492	1,092
Vermont	99,216*	76,710	--
Middle Atlantic States	9,395,024	8,603,596	743,978
Delaware	55,739*	132,025	76,286
New Jersey	2,286,275*	1,736,142	--
New York	5,322,138*	4,336,866	--
Pennsylvania	1,730,872*	2,398,564	667,692
North Central States	12,409,511	11,913,991	425,532
Illinois	2,662,377*	2,604,867	--
Indiana	1,163,426*	1,040,569	--
Iowa	659,121*	558,369	--
Kansas	507,030*	453,056	--
Michigan	2,023,386*	1,996,589	--
Minnesota	903,768*	754,312	--
Missouri	751,818*	919,039	167,221
Nebraska	347,708*	299,184	--
North Dakota	111,776*	106,440	--
Ohio	1,943,815*	2,202,126	258,311
South Dakota	168,400	113,151	--
Wisconsin	1,166,886*	866,292	--
SREB States	6,817,984	10,725,748	3,907,735
Alabama	149,355*	540,712	391,357
Arkansas	147,578*	299,815	152,237
Florida	1,035,998*	1,431,463	395,465

State and Region	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
SREB States (Continued)			
Georgia	$ 565,255*	$ 831,113	$ 265,858
Kentucky	243,677*	536,253	292,576
Louisiana	286,517*	593,639	307,122
Maryland	708,973*	892,013	183,040
Mississippi	177,045*	319,770	142,725
North Carolina	492,451*	892,283	399,832
South Carolina	209,248*	417,471	208,223
Tennessee	380,600	666,476	285,876
Texas	1,713,789*	2,093,929	380,140
Virginia	562,292*	922,417	360,125
West Virginia	145,206*	288,374	143,168
Mountain States	1,874,812	2,115,503	3,907,735
Arizona	381,837*	373,507	--
Colorado	480,928*	485,668	4,740
Idaho	107,410*	128,737	21,327
Montana	184,992*	129,502	--
Nevada	110,821*	120,539	9,718
New Mexico	91,830*	170,988	79,158
Oklahoma	262,700	450,218	187,518
Utah	167,534*	189,051	21,517
Wyoming	86,760*	67,296	--
Pacific States	7,976,095	5,970,307	151,334
Alaska	34,800	75,269	40,469
California	6,691,795*	4,595,979	--
Hawaii	98,300	181,078	82,778
Oregon	485,650*	421,344	--
Washington	665,550	693,637	28,087
District of Columbia	141,400*	211,078	69,678
All States Including District of Columbia	$42,132,256	$42,131,936	$5,623,319

All notes and footnotes are on page 113.

TABLE 5

STATE AND LOCAL INDIVIDUAL AND CORPORATE INCOME TAX REVENUE,
FOR STATES, REGIONS, AND THE UNITED STATES, 1972
(In Thousands)

State and Region	Individual Income Taxes			Corporate Income Taxes		
	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
New England States	$ 951,911	$ 1,142,562	$ 388,709	$ 422,352	$ 292,938	$ 12,702
Connecticut	60,968	326,047	265,079	122,948	83,594	--
Maine	28,179	73,743	45,564	8,588	18,907	10,319
Massachusetts	743,628	557,860	--	239,264	143,028	--
New Hampshire	6,618	64,927	58,309	16,340	16,647	307
Rhode Island	66,416	86,173	19,757	28,619	22,094	--
Vermont	46,102	33,814	--	6,593	8,669	2,076
Middle Atlantic States	4,654,544	3,792,456	742,032	1,399,656	972,337	76,682
Delaware	98,288*	58,196	--	17,518	14,921	--
New Jersey	23,258	765,290	742,032	119,528	196,210	76,582
New York	3,321,857*	1,911,686	--	781,010	490,131	--
Pennsylvania	1,211,141*	1,057,284	--	481,600	271,074	--
North Central States	4,201,650	5,251,669	1,413,575	957,955	1,346,460	476,220
Illinois	843,271	1,148,222	304,951	173,912	294,389	120,477
Indiana	283,669	458,682	175,013	10,526	117,600	107,074
Iowa	202,158	246,129	43,971	37,109	63,104	25,995
Kansas	95,345	199,706	104,361	33,153	51,202	18,049
Michigan	861,187*	880,094	18,907	267,303	225,645	--
Minnesota	483,215	332,500	--	112,403	85,249	--
Missouri	319,963*	405,111	85,148	52,218	103,865	51,647
Nebraska	54,170	131,880	77,710	10,106	33,812	23,706
North Dakota	19,506	46,919	27,413	8,872	12,029	3,157
Ohio	444,469*	970,695	526,226	134,698	248,874	114,176
South Dakota	--	49,877	49,877	850	12,788	11,938
Wisconsin	594,697	381,861	--	116,805	97,904	--
SREB States	2,436,679	4,727,884	2,558,362	756,966	1,212,168	497,910
Alabama	127,394*	238,345	110,951	32,908	61,109	28,201
Arkansas	70,150	132,158	62,008	31,568	33,884	2,316
Florida	--	630,987	630,987	27,874	161,777	133,903

State and Region	Individual Income Taxes			Corporate Income Taxes		
	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
SREB States (Continued)						
Georgia	$ 239,900	$ 366,354	$ 126,454	$ 88,928	$ 93,928	$ 5,000
Kentucky	221,169*	236,380	15,211	53,903	60,605	6,702
Louisiana	105,3[illegible]	261,675	156,321	79,523	67,090	--
Maryland	660,354*	393,198	--	77,441	100,811	23,370
Mississippi	54,655	140,954	86,299	22,953	36,139	13,186
North Carolina	361,816	393,317	31,501	123,502	100,841	--
South Carolina	127,708	184,021	56,313	52,312	47,180	--
Tennessee	13,598	293,782	280,184	77,804	75,322	--
Texas	--	923,002	923,002	--	236,646	236,646
Virginia	365,429	406,601	41,172	77,642	104,247	26,605
West Virginia	89,152	127,115	37,963	10,608	32,591	21,983
Mountain States	603,062	932,513	340,448	142,867	239,084	96 2[illegible]7
Arizona	94,577	164,642	70,065	28,126	42,212	14,086
Colorado	174,269	214,082	39,813	36,463	54,888	18,425
Idaho	50,191	56,747	6,556	12,894	14,549	1,655
Montana	68,082	57,085	--	11,523	14,636	3,113
Nevada	--	53,133	53,133	--	13,623	13,623
New Mexico	44,088	75,371	31,283	13,211	19,324	6,113
Oklahoma	97,759	198,456	100,697	28,014	50,881	22,867
Utah	74,096	83,333	9,237	12,636	21,366	8,730
Wyoming	--	29,664	29,664	--	7,605	7,605
Pacific States	2,248,904	2,631,704	494,477	721,664	674,735	94,388
Alaska	39,112	33,179	--	6,455	8,507	2,052
California	1,838,503*	2,027,225	188,722	661,071	519,754	--
Hawaii	120,063	79,819	--	13,532	20,465	6,933
Oregon	251,226	185,728	--	40,606	47,618	7,012
Washington	--	305,755	305,755	--	78,392	78,392
District of Columbia	137,000*	93,043	--	--	23,855	23,85[illegible]
All States Including District of Columbia	$15,233,750	$18,571,792	$5,937,593	$4,401,460	$4,761,557	$1,277,965

All notes and footnotes are on page 113.

TABLE 6

STATE ALCOHOLIC BEVERAGE LICENSE TAX REVENUE,
FOR STATES, REGIONS, AND THE UNITED STATES, 1972
(In Thousands)

State and Region	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
New England States	$ 6,522	$ 8,450	$ 4,434
Connecticut	4,434	2,411	--
Maine	995	545	--
Massachusetts	418	4,126	3,708
New Hampshire	342	480	138
Rhode Island	49	637	588
Vermont	284	250	--
Middle Atlantic States	44,001	28,046	4,025
Delaware	306	430	124
New Jersey	1,759	5,660	3,901
New York	32,961	14,137	--
Pennsylvania	8,975	7,819	--
North Central States	29,278	38,838	17,126
Illinois	981	8,491	7,510
Indiana	6,474	3,392	--
Iowa	3,120	1,820	--
Kansas	446	1,477	1,031
Michigan	6,271	6,509	238
Minnesota	312	2,459	2,147
Missouri	832	2,996	2,164
Nebraska	128	975	847
North Dakota	193	347	154
Ohio	10,363	7,179	--
South Dakota	74	369	295
Wisconsin	84	2,824	2,740
SREB States	26,482	34,964	14,438
Alabama	2,029	1,763	--
Arkansas	630	977	347
Florida	10,261	4,666	--

State and Region	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
SREB States (Continued)			
Georgia	$ 508	$ 2,709	$ 2,201
Kentucky	833	1,748	915
Louisiana	1,584	1,935	351
Maryland	185	2,908	2,723
Mississippi	87	1,042	955
North Carolina	380	2,909	2,529
South Carolina	1,290	1,361	71
Tennessee	380	2,173	1,793
Texas	6,228	6,826	598
Virginia	1,052	3,007	1,955
West Virginia	1,035	940	--
Mountain States	6,348	6,896	2,360
Arizona	883	1,218	335
Colorado	2,795	1,583	--
Idaho	524	420	--
Montana	918	422	--
Nevada	20	393	373
New Mexico	274	557	283
Oklahoma	850	1,468	618
Utah	74	616	542
Wyoming	10	219	209
Pacific States	23,435	19,462	1,509
Alaska	774	245	--
California	19,945	14,992	--
Hawaii	--	590	590
Oregon	646	1,374	728
Washington	2,070	2,261	191
District of Columbia	(a)	688	688
All States	$136,066	$137,343	$44,580

All notes and footnotes are on page 113.

TABLE 7

NUMBER OF MOTOR VEHICLES REGISTERED AND STATE AND LOCAL MOTOR VEHICLE LICENSE TAX REVENUE, FOR STATES, REGIONS, AND THE UNITED STATES, 1972
(In Thousands)

State and Region	Number of Motor Vehicles Registered, 1972	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
New England States . . .	6,416	$ 130,497	$ 181,863	$ 60,143
Connecticut.	1,858	42,203	52,666	10,463
Maine.	562	14,890	15,930	1,040
Massachusetts.	2,822	34,058	79,990	45,932
New Hampshire.	389	14,090	11,026	--
Rhode Island	533	12,400	15,108	2,708
Vermont.	252	12,856	7,143	--
Middle Atlantic States .	17,512	553,665	496,382	20,242
Delaware	325	14,950	9,212	--
New Jersey	3,874	132,661	109,810	--
New York	7,069	249,308*	200,373	--
Pennsylvania	6,244	156,746	176,988	20,242
North Central States . .	32,582	1,136,305	923,545	31,399
Illinois	5,598	315,588*	158,677	--
Indiana.	2,974	59,935	84,299	24,364
Iowa	1,883	82,850	53,374	--
Kansas	1,647	39,649*	46,685	7,036
Michigan	4,949	160,714	140,281	--
Minnesota.	2,360	68,763	66,895	--
Missouri	2,603	87,045*	73,783	--
Nebraska	1,075	32,336*	30,471	--
North Dakota	459	16,169	13,010	--
Ohio	6,275	185,526*	177,867	--
South Dakota	460	17,454*	13,039	--
Wisconsin.	2,299	70,276	65,166	--
SREB States.	35,582	889,824	1,012,635	175,395
Alabama.	2,198	33,243*	62,303	29,060
Arkansas	1,113	30,242	31,548	1,306
Florida.	4,788	154,898*	135,717	--

State and Region	Number of Motor Vehicles Registered, 1972	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
SREB States (Continued)				
Georgia	2,899	$ 35,243*	$ 82,173	$ 46,930
Kentucky	1,958	35,326*	55,500	20,174
Louisiana	1,894	28,484*	53,686	25,202
Maryland	2,121	60,932*	60,120	--
Mississippi	1,231	20,332*	34,893	14,561
North Carolina	3,185	73,539*	90,280	16,741
South Carolina	1,435	19,254	40,675	21,421
Tennessee	2,216	76,708*	62,813	--
Texas	7,300	208,884*	206,921	--
Virginia	2,540	86,604*	71,997	--
West Virginia	847	26,135	24,008	--
Mountain States	7,940	206,032	225,061	38,449
Arizona	1,257	27,567*	35,630	8,063
Colorado	1,647	28,089	46,685	18,596
Idaho	526	15,207	14,910	--
Montana	527	16,176*	14,938	--
Nevada	395	9,433	11,196	1,763
New Mexico	694	18,311	19,672	1,361
Oklahoma	1,872	67,917	53,062	--
Utah	753	12,678	21,344	8,666
Wyoming	269	10,654	7,625	--
Pacific States	17,167	404,153	486,603	100,008
Alaska	160	6,150	4,535	--
California	12,820	277,920	363,386	85,466
Hawaii	445	12,475*	12,614	139
Oregon	1,500	58,461	42,518	--
Washington	2,242	49,147*	[illegible],550	14,403
District of Columbia	264	13,100	7,483	--
United States	117,606	$3,333,576	$3,333,555	$425,636

All notes and footnotes are on page 113.

TABLE 8

STATE AND LOCAL MOTOR FUEL TAX REVENUE, FOR STATES, REGIONS, AND THE UNITED STATES, 1972
(In Thousands)

State and Region	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
New England States	$ 431,023	$ 396,721	$ 4,124
Connecticut	127,510	114,886	--
Maine	46,912	34,750	--
Massachusetts	172,852	174,493	1,641
New Hampshire	31,968	24,053	--
Rhode Island	30,474	32,957	2,483
Vermont	21,307	15,582	--
Middle Atlantic States	1,052,270	1,082,820	34,820
Delaware	22,838	20,096	--
New Jersey	225,399	239,541	14,142
New York	416,420	437,098	20,678
Pennsylvania	395,613	386,086	--
North Central States	1,966,722	2,014,642	114,447
Illinois	356,509	346,142	--
Indiana	229,313	183,892	--
Iowa	110,341	116,432	6,091
Kansas	89,757	101,839	12,082
Michigan	300,700	306,012	5,312
Minnesota	136,412	145,926	9,514
Missouri	129,779	160,951	31,172
Nebraska	73,431	66,471	--
North Dakota	24,126	28,381	4,255
Ohio	343,047	388,003	44,956
South Dakota	27,378	28,443	1,065
Wisconsin	145,929	142,154	--
SREB States	2,338,654	2,208,982	102,931
Alabama	152,864*	135,909	--
Arkansas	85,751	68,820	--
Florida	307,090	296,057	--

State and Region	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
SREB States (Continued)			
Georgia	$ 209,809	$ 179,254	$ --
Kentucky	118,016	121,069	3,053
Louisiana	134,976	117,112	--
Maryland	126,887	131,148	4,261
Mississippi	106,780	76,117	--
North Carolina	245,884	196,938	--
South Carolina	101,641	88,730	--
Tennessee	153,279	137,022	--
Texas	355,764	451,381	95,617
Virginia	173,648	157,056	--
West Virginia	66,265	52,373	--
Mountain States	480,321	490,954	31,795
Arizona	78,871	77,724	--
Colorado	85,502	101,839	16,337
Idaho	31,976	32,524	548
Montana	35,556	32,586	--
Nevada	30,670*	24,424	--
New Mexico	49,332	42,912	--
Oklahoma	102,902	115,752	12,850
Utah	44,500	46,560	2,060
Wyoming	21,012	16,633	--
Pacific States	977,551	1,061,488	100,098
Alaska	11,401	9,893	--
California	707,546	792,700	85,154
Hawaii	28,518*	27,516	--
Oregon	77,806	92,750	14,944
Washington	152,280	138,630	--
District of Columbia	17,400*	16,324	--
All States Including District of Columbia	$7,271,941	$8,271,921	$388,215

All notes and footnotes are on page 113.

TABLE 9

VALUE OF PRODUCTS SEVERED AND SEVERANCE TAX REVENUE, FOR STATE, REGIONS, AND THE UNITED STATES, 1972
(In Thousands)

State and Region	Value of Severed Products	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
New England States	$ 253,057	$ 72	$ 7,611	$ 7,539
Connecticut	29,689	--	893	893
Maine	58,232	--	1,751	1,751
Massachusetts	98,682	--	2,968	2,968
New Hampshire	12,012	72	361	289
Rhode Island	16,762	--	504	504
Vermont	37,680	--	1,133	1,133
Middle Atlantic States	1,590,026	--	47,819	47,819
Delaware	4,464	--	134	134
New Jersey	108,154	--	3,253	3,253
New York	324,247	--	9,752	9,752
Pennsylvania	1,153,161	--	34,681	34,681
North Central States	4,356,458	27,069	131,018	105,949
Illinois	703,209	--	21,149	21,149
Indiana	285,412	221	8,584	8,363
Iowa	129,350	--	3,890	3,890
Kansas	589,921	687	17,742	17,055
Michigan	648,157	967	19,493	18,526
Minnesota	611,130	20,080	18,379	--
Missouri	404,104	--	12,153	12,153
Nebraska	74,229	631	2,232	1,601
North Dakota	99,979	3,306	3,007	--
Ohio	657,160	864	19,764	18,900
South Dakota	63,283	--	1,903	1,903
Wisconsin	90,524	313	2,722	2,409
SREB States	17,256,816	587,361	518,989	117,024
Alabama	321,467	3,043	9,668	6,625
Arkansas	256,839	4,973	7,724	2,751
Florida	404,541	2,250	12,166	9,916

State and Region	Value of Severed Products	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
SREB States (Continued)				
Georgia	$ 257,895	$ --	$ 7,756	$ 7,756
Kentucky	929,931	5,941	27,967	22,026
Louisiana	5,628,394	244,456	169,271	--
Maryland	119,307	--	3,588	3,588
Mississippi	283,023	14,168	8,512	--
North Carolina	136,395	--	4,102	4,102
South Carolina	81,840	--	2,461	2,461
Tennessee	245,256	--	7,376	7,376
Texas	6,897,036	311,979	207,425	--
Virginia	419,214	551	12,608	12,057
West Virginia	1,275,682	--	38,365	38,365
Mountain States	5,423,685	123,548	163,114	81,494
Arizona	983,660	--	29,583	29,583
Colorado	393,096	561	11,822	11,261
Idaho	114,193	152	3,434	3,282
Montana	286,681	4,474	8,622	4,148
Nevada	164,780	128	4,956	4,828
New Mexico	1,047,523	35,878	31,504	--
Oklahoma	1,190,001	73,342	35,789	--
Utah	525,754	3,938	15,812	11,874
Wyoming	717,997	5,075	21,593	16,518
Pacific States	2,713,050	19,548	81,593	64,480
Alaska	414,669	14,905	12,471	--
California	2,018,441	2,262	60,704	58,442
Hawaii	33,282	--	1,001	1,001
Oregon	108,736	2,381	3,270	889
Washington	137,922	--	4,148	4,148
District of Columbia	--	--	--	--
All States Including District of Columbia	$31,592,976	$757,598	$950,144	$424,304

All notes and footnotes are on page 114.

TABLE 10

STATE TRANSFER TAXES, FOR STATES, REGIONS, AND THE UNITED STATES, 1972
(In Thousands)

State and Region	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
New England States.	$ 9,339	$ 31,609	$ 22,997
Connecticut	--	9,020	9,020
Maine	--	2,040	2,040
Massachusetts	6,731	15,433	8,702
New Hampshire	546	1,796	1,250
Rhode Island.	400	2,384	1,984
Vermont	1,662	935	--
Middle Atlantic States. . .	346,885	104,918	21,172
Delaware.	4,680[a]	1,610	--
New Jersey.	--	21,172	21,172
New York.	301,133[b]	52,887	--
Pennsylvania.	41,072[c]	29,250	--
North Central States. . . .	10,462	145,287	134,825
Illinois.	3,206[d]	31,766	28,560
Indiana	--	12,689	12,689
Iowa.	1,218	6,809	5,591
Kansas.	--	5,525	5,525
Michigan.	--	24,348	24,348
Minnesota	4,338	9,199	4,861
Missouri.	--	11,207	11,207
Nebraska.	684	3,648	2,964
North Dakota.	--	1,298	1,298
Ohio.	--[e]	26,854	26,854
South Dakota.	--	1,380	1,380
Wisconsin	1,016	10,564	9,548
SREB States	134,030	130,797	71,811
Alabama	3,432	6,594	3,162
Arkansas.	1,138	3,656	2,518
Florida	88,572	17,456	--
Georgia	--	10,135	10,135
Kentucky.	1,114	6,539	5,425

State and Region	Amount Collected	Potential Tax Yield at Average Rate	Unutilized Potential
SREB States (Continued)			
Louisiana	$ --[f]	$ 7,239	$ 7,239
Maryland	11,692	10,878	--
Mississippi	--	3,899	3,899
North Carolina	--	10,881	10,881
South Carolina	4,471[e]	5,091	620
Tennessee	8,386	8,127	--
Texas	5	25,535	25,530
Virginia	14,104[g]	11,249	--
West Virginia	1,116[e]	3,517	2,401
Mountain States	2,004	25,798	23,794
Arizona	--	4,555	4,555
Colorado	--	5,923	5,923
Idaho	--	1,570	1,570
Montana	--	1,579	1,579
Nevada	488	1,470	982
New Mexico	--	2,085	2,085
Oklahoma	1,516	5,490	3,974
Utah	--	2,305	2,305
Wyoming	--	821	821
Pacific States	2,547	72,806	70,259
Alaska	--[e]	918	918
California	--	56,083	56,083
Hawaii	611	2,208	1,597
Oregon	--	5,138	5,138
Washington	1,936[h]	8,459	6,523
District of Columbia	--	2,574	2,574
All States Including District of Columbia	$505,267	$513,789	$347,431

All notes and footnotes are on page 114.

TABLE 11

OTHER TAX REVENUE AND TOTAL STATE AND LOCAL TAX REVENUE, FOR STATES, REGIONS, AND THE UNITED STATES, 1972
(In Thousands)

State and Region	Parimutuel Taxes	Other License Taxes[1]	Other and Unallocable Taxes	Total State and Local Taxes
New England States.	$ 54,972	$ 89,414	$ 35,936	$ 7,248,331
Connecticut	--	19,647	7,600	1,952,939
Maine	1,673	10,066	3,702	486,396
Massachusetts	29,982	39,830	15,000	3,695,175
New Hampshire	11,110	7,825	4,879	352,985
Rhode Island.	9,294	8,006	2,100	499,423
Vermont	2,913	4,040	2,655	261,413
Middle Atlantic States. . .	230,948	582,436	361,900	25,251,120
Delaware.	8,759	63,321	3,800	330,033
New Jersey.	34,573	116,029	37,200	4,102,824
New York.	166,301	88,164	102,700	14,486,609
Pennsylvania.	21,315	314,922	218,200	6,331,657
North Central States. . . .	94,392	547,289	240,020	29,655,232
Illinois.	47,773	46,122	54,600	6,517,564
Indiana	--	16,156	20,400	2,374,954
Iowa.	--	16,284	5,500	1,465,422
Kansas.	--	13,874	8,100	1,063,113
Michigan.	25,407	180,438	26,400	5,235,881
Minnesota	--	26,320	13,000	2,280,039
Missouri.	--	34,597	31,700	2,148,049
Nebraska.	2,633	10,349	7,600	712,880
North Dakota.	--	5,423	3,000	272,407
Ohio.	17,014	161,045	55,000	4,632,030
South Dakota.	1,565	5,681	1,800	316,747
Wisconsin	--	31,000	12,920	2,736,154
SREB States	105,965	635,062	401,937	24,625,824
Alabama	--	37,862	36,100	1,140,264
Arkansas.	7,453	15,085	11,515	630,500
Florida	58,978	89,533	61,100	3,297,737

State and Region	Parimutuel Taxes	Other License Taxes[1]	Other and Unallocable Taxes	Total State and Local Taxes
SREB States (Continued)				
Georgia	$ --	$ 22,409	$ 39,679	$ 1,882,535
Kentucky	7,222	17,600	16,400	1,178,936
Louisiana	6,290	50,354	39,500	1,594,016
Maryland	15,445	17,926	49,015	2,225,813
Mississippi	--	26,098	6,421	795,481
North Carolina	--	61,111	10,402	2,012,969
South Carolina	--	15,500	12,000	925,041
Tennessee	--	69,442	18,764	1,511,650
Texas	--	176,050	19,600	4,661,860
Virginia	--	27,304	61,541	2,055,202
West Virginia	10,577	8,788	19,900	713,748
Mountain States	11,4.1	105,874	65,587	5,410,840
Arizona	4,971	10,242	9,400	1,034,913
Colorado	5,117	18,754	19,114	1,220,183
Idaho	178	13,455	1,200	319,464
Montana	--	13,759	900	376,585
Nevada	--	6,182	18,973	322,966
New Mexico	1,131	8,257	4,500	452,873
Oklahoma	--	21,922	7,100	1,006,760
Utah	--	7,833	3,200	498,050
Wyoming	24	5,470	1,200	179,046
Pacific States	73,502	165,539	249,193	17,743,536
Alaska	--	9,712	2,493	152,104
California	67,783	92,349	212,700	14,126,092
Hawaii	--	5,567	3,200	520,161
Oregon	2,667	24,411	4,700	1,054,416
Washington	3,052	33,500	26,100	1,890,775
District of Columbia	--	--	14,400	457,700
All States Including District of Columbia	$571,200	$2,125,614	$1,368,973	$110,392,032

All notes and footnotes are on page 114.

TABLE 12

SUMMARY OF UNUTILIZED POTENTIAL, 1972
(In Thousands)

State and Region	General Sales and Gross Receipts	Selective Sales and Gross Receipts	Death and Gift Taxes	General Property Taxes	Income Taxes	
					Individual	Corporate
New England States	$ 519,681	$ 164,582	$ --	$ 1,092	$ 388,709	$ 12,702
Connecticut	4,778	24,210	--	--	265,079	--
Maine	--	9,306	--	--	45,564	10,319
Massachusetts	421,447	109,334	--	--	--	--
New Hampshire	72,367	12,355	--	--	58,309	307
Rhode Island	4,965	8,108	--	1,092	19,757	--
Vermont	16,123	1,268	--	--	--	2,076
Middle Atlantic States	537,420	347,713	--	743,978	742,032	76,682
Delaware	64,865	4,435	--	76,286	--	--
New Jersey	273,427	84,652	--	--	742,032	76,682
New York	--	187,687	--	--	--	--
Pennsylvania	199,128	70,939	--	667,692	--	--
North Central States	694,531	812,183	128,496	425,532	1,413,575	476,220
Illinois	--	159,894	16,949	--	304,951	120,477
Indiana	74,073	145,736	14,676	--	175,013	107,074
Iowa	55,607	42,540	--	--	43,971	25,995
Kansas	42,234	34,126	4,616	--	104,361	18,049
Michigan	--	188,145	29,159	--	18,907	--
Minnesota	98,773	12,148	--	--	--	--
Missouri	43,558	87,926	9,229	167,221	85,148	51,647
Nebraska	35,207	28,432	8,400	--	77,710	23,706
North Dakota	--	9,994	2,301	--	27,413	3,157
Ohio	302,808	86,489	42,392	258,311	526,226	114,176
South Dakota	--	6,464	775	--	49,877	11,938
Wisconsin	42,271	60,253	--	--	--	--
SREB States	394,793	396,255	138,408	3,907,735	2,558,362	497,910
Alabama	--	7,838	13,198	391,357	110,951	28,201
Arkansas	2,229	15,486	7,931	152,237	62,008	2,316
Florida	--	31,067	12,887	395,465	630,987	133,903

License Taxes					
Alcoholic Beverage	Motor Vehicle	Motor Fuels Taxes	Severance Taxes	Transfer Taxes	Total Unutilized Potential
$ 4,434	$ 60,143	$ 4,124	$ 7,539	$ 22,997	$ 1,185,997
--	10,463	--	893	9,020	314,442
--	1,040	--	1,751	2,040	70,021
3,708	45,932	1,641	2,968	8,702	593,732
138	--	--	289	1,250	145,016
588	2,708	2,483	504	1,984	42,190
--	--	--	1,133	--	20,600
4,025	20,242	34,820	47,819	21,172	2,575,898
124	--	--	134	--	145,845
3,901	--	14,142	3,253	21,172	1,219,257
--	--	20,678	9,752	--	218,117
--	20,242	--	34,681	--	992,681
17,126	31,399	114,447	105,949	134,825	4,354,279
7,510	--	--	21,149	28,560	659,490
--	24,364	--	5,363	12,689	561,988
--	--	6,091	3,890	5,591	183,691
1,031	7,036	12,082	17,055	5,525	246,144
238	--	5,312	18,526	24,348	284,634
2,147	--	9,514	--	4,861	127,442
2,164	--	31,172	12,153	11,207	461,426
847	--	--	1,601	2,964	168,868
154	--	4,255	--	1,298	48,572
--	--	44,956	18,900	26,854	1,421,108
295	--	1,065	1,903	1,380	73,697
2,740	--	--	2,409	9,548	117,221
14,438	175,395	102,931	117,024	71,811	8,375,060
--	29,060	--	6,625	3,162	590,391
547	1,306	--	2,751	2,518	249,130
--	--	--	9,916	--	1,214,224

TABLE 12 (Continued)

State and Region	General Sales and Gross Receipts	Selective Sales and Gross Receipts	Death and Gift Taxes	General Property Taxes	Income Taxes	
					Individual	Corporate
SREB States (Continued)						
Georgia	$ --	$ 25,033	$ 18,814	$ 265,858	$ 126,454	$ 5,000
Kentucky	--	61,557	2,515	292,576	15,211	6,702
Louisiana	--	773	8,443	307,122	156,321	--
Maryland	146,286	90,431	16,311	183,040	--	23,370
Mississippi	--	15,268	6,547	142,725	86,299	13,186
North Carolina	85,370	47,144	4,354	399,832	31,501	--
South Carolina	--	11,123	6,364	208,223	56,313	--
Tennessee	--	10,409	--	285,876	280,184	--
Texas	52,867	21,401	25,389	380,140	923,002	236,646
Virginia	108,041	38,656	12,344	360,125	41,172	26,605
West Virginia	--	20,070	3,312	143,168	37,963	21,983
Mountain States	136,172	106,152	17,288	323,977	340,448	96,217
Arizona	--	13,926	5,909	--	70,065	14,086
Colorado	--	39,676	--	4,740	39,813	18,425
Idaho	11,546	11,922	--	21,327	6,556	1,655
Montana	63,626	8,532	--	--	--	3,113
Nevada	--	4,850	3,724	9,718	53,133	13,623
New Mexico	--	5,994	3,598	79,158	31,283	6,113
Oklahoma	61,000	--	--	187,518	100,697	22,867
Utah	--	13,738	3,024	21,517	9,237	8,730
Wyoming	--	7,515	1,032	--	29,664	7,605
Pacific States	233,491	471,729	4,295	151,334	494,477	94,388
Alaska	26,480	6,004	2,228	40,469	--	2,052
California	--	408,736	--	--	188,722	--
Hawaii	--	10,769	1,960	82,778	--	6,933
Oregon	207,011	40,462	107	--	--	7,012
Washington	--	5,758	--	28,087	305,755	78,392
District of Columbia	21,704	21,872	6,522	69,678	--	23,855
All States Including District of Columbia	$2,537,782	$2,320,483	$295,008	$5,623,319	$5,937,593	$1,277,965

License Taxes					
Alcoholic Beverage	Motor Vehicle	Motor Fuels Taxes	Severance Taxes	Transfer Taxes	Total Unutilized Potential
$ 2,201	$ 46,930	$ --	$ 7,756	$ 10,135	$ 508,180
915	20,174	3,053	22,026	5,425	430,153
351	25,202	--	--	7,239	505,451
2,723	--	4,261	3,588	--	470,009
955	14,561	--	--	3,899	283,440
2,529	16,741	--	4,102	10,881	602,454
71	21,421	--	2,461	620	306,595
1,793	--	--	7,376	--	585,637
598	--	95,617	--	25,530	1,761,186
1,955	--	--	12,057	--	600,954
--	--	--	38,365	2,401	267,261
2,360	38,449	31,795	81,494	23,794	1,198,145
335	8,063	--	29,583	4,555	146,521
--	18,596	16,337	11,261	5,923	154,770
--	--	548	3,282	1,570	58,406
--	--	--	4,148	1,579	80,998
373	1,763	--	4,828	982	92,994
283	1,361	--	--	2,085	129,876
618	--	12,850	--	3,974	389,524
542	8,666	2,060	11,874	2,305	81,694
209	--	--	16,518	821	63,365
1,509	100,008	100,098	64,480	70,259	1,786,063
--	--	--	--	918	78,150
--	85,466	85,154	58,442	56,083	882,603
590	139	--	1,001	1,597	105,766
728	--	14,944	889	5,138	276,291
191	14,403	--	4,148	6,583	443,256
288	--	--	--	2,574	146,893
$44,580	$425,637	$ 388,215	$ 424,304	$347,431	$19,622,272

All notes and footnotes are on page 114.

TABLE 13

GENERAL SALES AND GROSS RECEIPTS TAXES, COLLECTIONS AND ADDITIONAL REVENUE POSSIBLE BY COLLECTIONS OF UNUTILIZED POTENTIAL AMOUNTS, PER CAPITA AND PER $1,000 OF PERSONAL INCOME, 1972

State and Region	Per Capita			Per $1,000 of Personal Income		
	Actual Collections*	Unutilized Potential**	Amount Possible	Actual Collections*	Unutilized Potential**	Amount Possible
All States Including District of Columbia	$ 97.45	$ 12.19	$109.64	$ 21.69	$ 2.71	$ 24.41
New England States	64.00	42.95	106.95	13.46	9.03	22.49
Middle Atlantic States	105.21	14.06	119.27	23.06	2.81	23.87
North Central States	90.97	12.07	103.04	19.80	2.63	22.42
Mountain States	97.94	11.87	109.81	23.93	2.90	26.83
Pacific States	123.71	8.58	132.28	25.41	1.76	27.17
SREB States	93.36	6.48	99.84	23.88	1.66	25.54
Alabama	92.30	--	92.30	26.99	--	26.99
Arkansas	73.34	1.13	74.47	21.80	.33	22.13
Florida	120.65	--	120.65	27.56	--	27.56
Georgia	90.14	--	90.14	23.06	--	23.06
Kentucky	96.41	--	96.41	26.72	--	26.72
Louisiana	114.08	--	114.08	32.20	--	32.20
Maryland	71.98	36.07	108.05	14.74	7.39	22.13
Mississippi	124.81	--	124.81	39.79	--	39.79
North Carolina	67.71	16.37	84.08	17.82	4.31	22.13
South Carolina	92.12	--	92.12	26.49	--	26.49
Tennessee	112.93	--	112.93	30.77	--	30.77
Texas	83.78	4.54	88.31	20.99	1.14	22.13
Virginia	72.45	22.68	95.13	16.85	5.28	22.13
West Virginia	126.00	--	126.00	35.05	--	35.05

All notes and footnotes are on page 115.

TABLE 14

SELECTIVE SALES AND GROSS RECEIPTS TAXES, COLLECTIONS AND ADDITIONAL REVENUE POSSIBLE BY COLLECTIONS OF UNUTILIZED POTENTIAL AMOUNTS, PER CAPITA AND PER $1,000 OF PERSONAL INCOME, 1972

State and Region	Per Capita			Per $1,000 of Personal Income		
	Actual Collections*	Unutilized Potential**	Amount Possible	Actual Collections*	Unutilized Potential**	Amount Possible
All States Including District of Columbia	$52.69	$11.14	$63.83	$11.73	$2.48	$14.21
New England States	56.88	13.60	70.48	11.96	2.86	14.82
Middle Atlantic States	58.06	9.10	67.16	11.62	1.82	13.44
North Central States	44.26	14.11	58.37	9.63	3.07	12.70
Mountain States	53.13	9.25	62.39	12.98	2.26	15.24
Pacific States	45.73	17.33	63.05	9.39	3.56	12.95
SREB States	59.25	6.51	65.76	15.16	1.66	16.82
Alabama	66.82	2.33	69.05	19.54	.65	20.19
Arkansas	39.44	7.83	47.27	11.72	2.33	14.05
Florida	76.33	4.28	80.61	17.43	.98	18.41
Georgia	52.65	5.30	57.95	13.47	1.36	14.82
Kentucky	38.08	18.66	56.74	10.55	5.17	15.72
Louisiana	49.12	.21	49.32	13.86	.06	13.92
Maryland	47.77	22.30	70.06	9.78	4.57	14.35
Mississippi	35.87	6.75	42.61	11.43	2.15	13.58
North Carolina	51.33	9.04	60.38	13.51	2.38	15.89
South Carolina	48.62	4.17	52.80	13.98	1.20	15.18
Tennessee	57.18	2.58	59.76	15.58	.70	16.28
Texas	73.34	1.84	75.18	18.38	.46	18.84
Virginia	67.95	8.11	76.07	15.81	1.89	17.70
West Virginia	58.93	11.27	70.20	16.39	3.14	19.53

All notes and footnotes are on page 115.

TABLE 15

GENERAL PROPERTY TAXES, COLLECTIONS AND ADDITIONAL REVENUE POSSIBLE BY COLLECTIONS OF UNUTILIZED POTENTIAL AMOUNTS, PER CAPITA AND PER $1,000 OF PERSONAL INCOME, 1972

State and Region	Per Capita			Per $1,000 of Personal Income		
	Actual Collections*	Unutilized Potential**	Amount Possible	Actual Collections*	Unutilized Potential**	Amount Possible
All States Including District of Columbia	$202.33	$ 27.00	$229.34	$45.04	$ 6.01	$51.06
New England States	290.74	.09	290.83	61.13	.02	61.15
Middle Atlantic States	245.79	19.46	265.25	49.19	3.90	53.08
North Central States	215.62	7.39	223.01	46.92	1.61	48.53
Mountain States	163.40	28.24	191.63	39.92	6.90	46.82
Pacific States	292.95	5.56	298.51	60.18	1.14	61.32
SREB States	111.94	64.16	176.09	28.63	16.41	45.04
Alabama	42.55	111.50	154.05	12.44	32.60	45.04
Arkansas	74.61	76.97	151.57	22.17	22.87	45.04
Florida	142.72	54.48	197.20	32.60	12.44	45.04
Georgia	119.76	56.33	176.08	30.64	14.41	45.04
Kentucky	73.86	88.69	162.55	20.47	24.58	45.04
Louisiana	77.02	82.56	159.58	21.74	23.30	45.04
Maryland	174.80	45.13	219.92	35.80	9.24	45.04
Mississippi	78.23	63.07	141.30	24.94	20.10	45.04
North Carolina	94.45	76.68	171.13	24.86	20.18	45.04
South Carolina	78.52	78.13	156.65	22.58	22.47	45.04
Tennessee	94.42	70.92	165.34	25.72	19.32	45.04
Texas	147.12	32.63	179.75	36.87	8.18	45.04
Virginia	118.03	75.59	193.62	27.46	17.59	45.04
West Virginia	81.53	80.39	161.92	22.68	22.36	45.04

All notes and footnotes are on page 115.

TABLE 16

INDIVIDUAL INCOME TAXES, COLLECTIONS AND ADDITIONAL REVENUE POSSIBLE BY COLLECTIONS OF UNUTILIZED POTENTIAL AMOUNTS, PER CAPITA AND PER $1,000 OF PERSONAL INCOME, 1972

State and Region	Per Capita			Per $1,000 of Personal Income		
	Actual Collections*	Unutilized Potential**	Amount Possible	Actual Collections*	Unutilized Potential**	Amount Possible
All States Including District of Columbia	$ 73.16	$28.51	$101.67	$16.29	$ 6.35	$22.63
New England States	78.68	32.13	110.80	16.54	6.75	23.30
Middle Atlantic States	121.77	19.41	141.18	24.37	3.88	28.25
North Central States	73.00	24.56	97.57	15.89	5.34	21.23
Mountain States	52.56	29.67	82.23	12.84	7.25	20.09
Pacific States	82.60	18.16	100.76	16.97	3.73	20.70
SREB States	40.01	42.00	82.01	10.23	10.74	20.98
Alabama	36.29	31.61	67.90	10.61	9.24	19.86
Arkansas	35.47	31.35	66.84	10.54	9.32	19.86
Florida	--	86.92	86.92	--	19.86	19.86
Georgia	50.83	26.79	77.62	13.00	6.85	19.86
Kentucky	67.04	4.61	71.65	18.58	1.28	19.86
Louisiana	28.32	42.02	70.34	7.99	11.86	19.86
Maryland	162.81	--	162.81	33.35	--	33.35
Mississippi	24.15	38.13	62.29	7.70	12.16	19.86
North Carolina	69.39	6.04	75.43	18.27	1.59	19.86
South Carolina	47.92	21.13	69.05	13.78	6.08	19.86
Tennessee	3.37	69.51	72.88	.92	18.94	19.86
Texas	--	79.23	79.23	--	19.86	19.86
Virginia	76.71	8.64	85.35	17.84	2.01	19.86
West Virginia	50.06	21.32	71.37	13.93	5.93	19.86

All notes and footnotes are on page 115.

TABLE 17

CORPORATE INCOME TAXES, COLLECTIONS AND ADDITIONAL REVENUE POSSIBLE BY COLLECTIONS OF UNUTILIZED POTENTIAL AMOUNTS, PER CAPITA AND PER $1,000 OF PERSONAL INCOME, 1972

State and Region	Per Capita			Per $1,000 of Personal Income		
	Actual Collections*	Unutilized Potential**	Amount Possible	Actual Collections*	Unutilized Potential**	Amount Possible
All States Including District of Columbia	$21.14	$ 6.14	$27.27	$4.71	$1.37	$6.07
New England States	34.91	1.05	35.96	7.34	.22	7.56
Middle Atlantic States	36.62	2.01	38.62	7.33	.40	7.73
North Central States	16.64	8.27	24.92	3.62	1.80	5.42
Mountain States	12.45	8.39	20.84	3.04	2.05	5.09
Pacific States	26.51	3.47	29.97	5.44	.71	6.16
SREB States	12.43	8.17	20.60	3.18	2.09	5.27
Alabama	9.38	8.03	17.41	2.74	2.35	5.09
Arkansas	15.96	1.17	17.13	4.74	.35	5.09
Florida	3.84	18.45	22.29	.88	4.21	5.09
Georgia	18.84	1.06	19.90	4.82	.27	5.09
Kentucky	16.34	2.03	18.37	4.53	.56	5.09
Louisiana	21.38	--	21.38	6.03	--	6.03
Maryland	19.09	5.76	24.85	3.91	1.18	5.09
Mississippi	10.14	5.83	15.97	3.23	1.86	5.09
North Carolina	23.69	--	23.69	6.23	--	6.23
South Carolina	19.63	--	19.63	5.64	--	5.64
Tennessee	19.30	--	19.30	5.26	--	5.26
Texas	--	20.31	20.31	--	5.09	5.09
Virginia	16.30	5.58	21.88	3.79	1.30	5.09
West Virginia	5.96	12.34	18.30	1.66	3.43	5.09

All notes and footnotes are on page 115.

TABLE 18

STATE AND LOCAL TAX COLLECTIONS BY SOURCE AS PERCENTAGES OF TOTAL COLLECTIONS, FOR SREB STATES, REGIONS, AND THE UNITED STATES, 1972

State and Region	General Sales and Gross Receipts	Selective Sales and Gross Receipts	General Property Taxes	Income Taxes		Other
				Individual	Corporate	
All States Including District of Columbia	18.4%	9.9%	38.2%	13.8%	4.0%	15.7%
New England States	10.7	9.5	48.5	13.1	5.8	12.3
Middle Atlantic States	15.9	8.8	37.2	18.4	5.5	14.1
North Central States	17.7	8.6	41.9	14.2	3.2	14.5
Mountain States	20.8	11.3	34.7	11.2	2.6	19.5
Pacific States	19.0	7.0	45.0	12.7	4.1	12.3
District of Columbia	17.9	11.5	30.9	29.9*	--*	9.8
SREB States	23.1	14.7	27.7	9.9	3.1	21.6
Alabama	28.4	20.6	13.1	11.2	2.9	23.9
Arkansas	23.0	12.4	23.4	11.1	5.0	25.1
Florida	26.6	16.8	31.4	--	.9	24.4
Georgia	22.6	13.2	30.0	12.7	4.7	16.7
Kentucky	27.0	10.7	20.7	18.8	4.6	18.4
Louisiana	26.6	11.5	18.0	6.6	5.0	32.3
Maryland	13.1	8.7	31.9	29.7	3.5	13.2
Mississippi	35.5	10.2	22.3	6.9	2.9	22.3
North Carolina	17.5	13.3	24.5	18.0	6.1	20.6
South Carolina	26.5	14.0	22.6	13.8	5.7	17.4
Tennessee	30.1	15.3	25.2	.9	5.2	23.4
Texas	20.9	18.3	36.8	--	--	24.0
Virginia	16.8	15.8	27.4	17.8	3.8	18.5
West Virginia	31.4	14.7	20.3	12.5	1.5	19.5

All notes and footnotes are on page 116.

TABLE 19

TOTAL TAX REVENUES AS A PERCENT OF PERSONAL INCOME AND AS A PERCENT OF GENERAL REVENUES, AND FEDERAL AIDS AS A PERCENT OF GENERAL REVENUES, FOR STATES, REGIONS, AND THE UNITED STATES, 1972

State and Region	Taxes as a Percent of Personal Income	Taxes as a Percent of General Revenues From Own Source	Federal Aids as a Percent of General Revenues	Tax Burden Index*
New England States	12.6	--	--	--
Connecticut	11.9	87.2	16.6	45
Maine	13.1	84.8	30.2	2
Massachusetts	13.2	87.6	21.9	25
New Hampshire	10.8	81.3	21.7	33
Rhode Island	11.5	85.9	26.5	32
Vermont	15.4	81.7	32.3	1
Middle Atlantic States	13.2	--	--	--
Delaware	11.3	75.7	23.0	47
New Jersey	10.6	83.2	18.5	49
New York	15.0	84.1	19.5	16
Pennsylvania	11.9	84.8	19.5	27
North Central States	11.2	--	--	--
Illinois	11.3	86.0	24.4	46
Indiana	10.3	77.8	16.1	41
Iowa	11.8	79.5	16.7	22
Kansas	10.6	77.9	21.1	39
Michigan	11.8	94.8	19.9	37
Minnesota	13.6	77.4	19.7	10
Missouri	10.0	81.3	24.8	42
Nebraska	10.7	74.7	19.1	36
North Dakota	11.5	70.5	28.4	12
Ohio	9.5	77.7	17.6	48
South Dakota	12.6	75.0	27.6	5
Wisconsin	14.2	83.4	15.8	6
SREB States	10.3	--	--	--
Alabama	9.5	70.6	38.8	19
Arkansas	9.5	74.7	38.0	17
Florida	10.4	77.3	17.8	40

State and Region	Taxes as a Percent of Personal Income	Taxes as a Percent of General Revenues From Own Source	Federal Aids as a Percent of General Revenues	Tax Burden Index*
SREB States (Continued)				
Georgia	10.2	73.2	29.1	30
Kentucky	9.9	75.9	31.8	24
Louisiana	11.1	72.9	28.0	4
Maryland	11.2	80.8	18.2	44
Mississippi	11.2	77.1	37.7	3
North Carolina	10.2	79.7	25.4	26
South Carolina	10.0	75.9	26.9	15
Tennessee	10.2	76.4	29.5	18
Texas	10.0	76.7	24.7	34
Virginia	10.0	79.7	23.3	43
West Virginia	11.1	80.8	40.6	11
Mountain States	11.5	--	--	--
Arizona	12.5	80.1	21.6	14
Colorado	11.3	76.4	26.7	35
Idaho	11.2	77.3	31.1	13
Montana	13.1	80.6	35.9	8
Nevada	12.1	74.4	21.1	38
New Mexico	11.9	70.3	42.3	7
Oklahoma	10.1	71.8	32.7	28
Utah	11.9	77.2	36.2	9
Wyoming	12.0	68.2	37.3	21
Pacific States	13.4	--	--	--
Alaska	9.1	43.4	50.6	50
California	13.8	82.9	24.4	20
Hawaii	12.9	79.7	29.5	31
Oregon	11.3	76.2	31.1	29
Washington	12.3	74.2	22.7	23
District of Columbia	9.8	81.4	89.9	51
All States Including District of Columbia	11.8	--	--	--

All notes and footnotes are on page 116.

TABLE 20

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
SREB STATES, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate	Net Amount Collected Above Yield Collectible at Average Rate
General Sales and Gross Receipts	$ 811,441,000	$ 394,793,000	$ 416,648,000
Selective Sales and Gross Receipts			
Alcoholic Beverages	278,484,000	60,484,000	218,001,000
Tobacco Products	163,470,000	148,701,000	14,768,000
Insurance	50,287,000	13,241,000	37,045,000
Public Utilities	416,820,000	104,499,000	312,321,000
Other	267,523,000	69,330,000	198,193,000
State Death and Gift	6,387,000	138,408,000	-132,021,000
General Property	--	3,907,735,000	-3,907,735,000
Individual Income	267,155,000	2,558,362,000	-2,291,207,000
Corporate Income	42,707,000	497,910,000	-455,203,000
State Alcoholic Beverage License	5,956,000	14,438,000	-8,482,000
Motor Vehicle License	52,584,000	175,395,000	-122,811,000
Motor Fuels	232,599,000	102,931,000	129,668,000
Severance	185,396,000	117,024,000	68,371,000
Transfer	75,044,000	71,811,000	3,233,000
Totals	$2,855,851,000	$8,375,058,000	
Net Unutilized Potential (excess of "below average" yields over "above average" yields)		$5,519,207,000	

All notes and footnotes are on page 116.

TABLE 21

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, ALABAMA, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$ 58,823,000	
Selective Sales and Gross Receipts		
Alcoholic Beverages	39,377,000	
Tobacco Products	8,208,000	
Insurance	6,896,000	
Public Utilities	45,295,000	
Other		7,838,000
State Death and Gift		13,198,000
General Property		391,357,000
Individual Income		110,951,000
Corporate Income		28,201,000
State Alcoholic Beverage License	266,000	
Motor Vehicle License		29,060,000
Motor Fuels	16,955,000	
Severance		6,625,000
Transfer		3,162,000
Totals	$175,320,000	$590,391,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)	[a] $415,071,000	

All notes and footnotes are on page 116.

TABLE 22

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, ARKANSAS, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$	$ 2,229,000
Selective Sales and Gross Receipts		
Alcoholic Beverages		2,077,000
Tobacco Products	14,039,000	
Insurance	386,000	
Public Utilities		6,314,000
Other		7,096,000
State Death and Gift		7,931,000
General Property		152,237,000
Individual Income		62,008,000
Corporate Income		2,316,000
State Alcoholic Beverage License		347,000
Motor Vehicle License		1,306,000
Motor Fuels	16,931,000	
Severance		2,751,000
Transfer		2,518,000
Totals	$ 31,356,000	$249,130,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)		$217,774,000

All notes and footnotes are on page 116.

TABLE 23

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, FLORIDA, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$172,483,000	
Selective Sales and Gross Receipts		
Alcoholic Beverages	66,992,000	
Tobacco Products	35,634,000	
Insurance		5,098,000
Public Utilities	104,974,000	
Other		25,969,000
State Death and Gift		12,887,000
General Property		395,465,000
Individual Income		630,987,000
Corporate Income		133,903,000
State Alcoholic Beverage License	5,595,000	
Motor Vehicle License	19,181,000	
Motor Fuels	11,033,000	
Severance		9,916,000
Transfer	71,116,000	
Totals	$487,005,000	$1,214,224,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)		$727,219,000

All notes and footnotes are on page 116.

TABLE 24

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, GEORGIA, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$ 17,108,000	$
Selective Sales and Gross Receipts		
Alcoholic Beverages	44,002,000	
Tobacco Products	5,292,000	
Insurance	5,037,000	
Public Utilities		10,308,000
Other		14,725,000
State Death and Gift		18,814,000
General Property		265,858,000
Individual Income		126,454,000
Corporate Income		5,000,000
State Alcoholic Beverage License		2,201,000
Motor Vehicle License		46,930,000
Motor Fuels	30,555,000	
Severance		7,756,000
Transfer		10,135,000
Totals	$101,995,000	$508,180,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)		$406,185,000

All notes and footnotes are on page 116.

TABLE 25

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, KENTUCKY, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$ 54,602.000	$
Selective Sales and Gross Receipts		
Alcoholic Beverages		13,345,000
Tobacco Products		21,509,000
Insurance	12,827,000	
Public Utilities		26,703,000
Other	32,912,000	
State Death and Gift		2,515,000
General Property		292,576,000
Individual Income		15,[illegible]1,000
Corporate Income		6,702,000
State Alcoholic Beverage License		915,000
Motor Vehicle License		20,174,000
Motor Fuels		3,053,000
Severance		22,026,000
Transfer		5,425,000
Totals	$100,341,000	$430,153,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)	$329,812,000	

All notes and footnotes are on page 117.

TABLE 26

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, LOUISIANA, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$132,704,000	$
Selective Sales and Gross Receipts		
Alcoholic Beverages	11,220,000	
Tobacco Products	5,208,000	
Insurance	6,134,000	
Public Utilities	4,359,000	
Other		773,000
State Death and Gift		8,443,000
General Property		307,122,000
Individual Income		156,321,000
Corporate Income	12,433,000	
State Alcoholic Beverage License		351,000
Motor Vehicle License		25,202,000
Motor Fuels	17,864,000	
Severance	75,185,000	
Transfer		7,239,000
Totals	$265,107,000	$505,451,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)		$240,344,000

All notes and footnotes are on page 117.

TABLE 27

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, MARYLAND, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$	$146,286,000
Selective Sales and Gross Receipts		
Alcoholic Beverages		27,059,000
Tobacco Products		33,159,000
Insurance		4,745,000
Public Utilities		25,468,000
Other	48,916,000	
State Death and Gift		16,311,000
General Property		183,040,000
Individual Income	267,156,000	
Corporate Income		23,370,000
State Alcoholic Beverage License		2,723,000
Motor Vehicle License	812,000	
Motor Fuels		4,261,000
Severance		3,588,000
Transfer	814,000	
Totals	$317,698,000	$470,009,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)		$152,311,000

All notes and footnotes are on page 117.

TABLE 28

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, MISSISSIPPI, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$125,339,000	$
Selective Sales and Gross Receipts		
Alcoholic Beverages	6,193,000	
Tobacco Products		412,000
Insurance	4,097,000	
Public Utilities		14,856,000
Other	1,806,000	
State Death and Gift		6,547,000
General Property		142,725,000
Individual Income		86,299,000
Corporate Income		13,186,000
State Alcoholic Beverage License		955,000
Motor Vehicle License		14,561,000
Motor Fuels	30,664,000	
Severance	5,656,000	
Transfer		3,899,000
Totals	$173,755,000	$283,440,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)		$109,685,000

All notes and footnotes are on page 117.

TABLE 29

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, NORTH CAROLINA, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$	$ 85,370,000
Selective Sales and Gross Receipts		
Alcoholic Beverages	25,965,000	
Tobacco Products		44,623,000
Insurance	3,995,000	
Public Utilities	49,506,000	
Other		2,521,000
State Death and Gift		4,354,000
General Property		399,832,000
Individual Income		31,501,000
Corporate Income	22,661,000	
State Alcoholic Beverage License		2,529,000
Motor Vehicle License		16,741,000
Motor Fuels	48,946,000	
Severance		4,102,000
Transfer		10,881,000
Totals	$151,072,000	$602,454,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)	$451,382,000	

All notes and footnotes are on page 117.

TABLE 30

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, SOUTH CAROLINA, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$ 40,390,000	
Selective Sales and Gross Receipts		
Alcoholic Beverages	27,626,000	
Tobacco Products		10,343,000
Insurance	1,923,000	
Public Utilities		780,000
Other	1,055,000	
State Death and Gift		6,364,000
General Property		208,223,000
Individual Income		56,313,000
Corporate Income	5,132,000	
State Alcoholic Beverage License		71,000
Motor Vehicle License		21,421,000
Motor Fuels	12,911,000	
Severance		2,461,000
Transfer		620,000
Totals	$ 89,036,000	$306,595,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)	$217,559,000	

All notes and footnotes are on page 117.

TABLE 31

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, TENNESSEE, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$127,762,000	$
Selective Sales and Gross Receipts		
Alcoholic Beverages	13,120,000	
Tobacco Products	9,409,000	
Insurance	3,277,000	
Public Utilities	39,329,000	
Other		10,409,000
State Death and Gift	6,387,000	
General Property		285,876,000
Individual Income		280,184,000
Corporate Income	2,482,000	
State Alcoholic Beverage License		1,793,000
Motor Vehicle License	13,895,000	
Motor Fuels	16,257,000	
Severance		7,376,000
Transfer	259,000	
Totals	$232,176,000	$585,637,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)		$353,461,000

All notes and footnotes are on page 117.

TABLE 32

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, TEXAS, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$	$ 52,867,000
Selective Sales and Gross Receipts		
Alcoholic Beverages		18,002,000
Tobacco Products	82,559,000	
Insurance		3,399,000
Public Utilities	101,988,000	
Other	138,953,000	
State Death and Gift		25,389,000
General Property		380,140,000
Individual Income		923,002,000
Corporate Income		236,646,000
State Alcoholic Beverage License		598,000
Motor Vehicle License	1,964,000	
Motor Fuels		95,617,000
Severance	104,554,000	
Transfer		25,530,000
Totals	$430,019,000	$1,761,185,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)	$1,331,166,000	

All notes and footnotes are on page 117.

TABLE 33

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, VIRGINIA, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$	$108,041,000
Selective Sales and Gross Receipts		
Alcoholic Beverages	23,744,000	
Tobacco Products		38,656,000
Insurance	3,047,000	
Public Utilities	71,370,000	
Other	20,944,000	
State Death and Gift		12,344,000
General Property		360,125,000
Individual Income		41,172,000
Corporate Income		26,605,000
State Alcoholic Beverage License		1,955,000
Motor Vehicle License	14,607,000	
Motor Fuels	16,592,000	
Severance		12,057,000
Transfer	2,855,000	
Totals	$153,159,000	$600,954,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)	$447,795,000	

All notes and footnotes are on page 117.

TABLE 34

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL, WEST VIRGINIA, 1972

Type of Tax	Amount Collected Above Yield Collectible at Average Rate	Amount Collected Below Yield Collectible at Average Rate
General Sales and Gross Receipts	$ 82,729,000	$
Selective Sales and Gross Receipts		
Alcoholic Beverages	20,246,000	
Tobacco Products	3,120,000	
Insurance	2,668,000	
Public Utilities		20,070,000
Other	22,939,000	
State Death and Gift		3,312,000
General Property		143,168,000
Individual Income		37,963,000
Corporate Income		21,983,000
State Alcoholic Beverage License	95,000	
Motor Vehicle License	2,127,000	
Motor Fuels	13,892,000	
Severance		38,365,000
Transfer		2,401,000
Totals	$147,816,000	$267,261,000
Net Unutilized Potential (excess of "below average" yields over "above average" yields)		$119,446,000

All notes and footnotes are on page 117.

TABLE 35 FOLLOWS
ON FACING PAGES 102 AND 103

TABLE 35

FEDERAL INCOME TAX RETURNS, PERCENTAGES OF TOTAL NUMBER, BY ADJUSTED GROSS INCOME CLASS, FOR STATES, REGIONS, AND THE UNITED STATES, 1969

State and Region	Under $5,000	$5,000-9,999	$10,000-19,999	$20,000-49,999	$50,000 or More	Number of Returns
New England States						
Connecticut	33.1	27.5	31.7	6.8	.9	1,212,217
Maine	43.5	34.5	19.4	2.3	.3	358,663
Massachusetts	38.7	27.4	28.2	5.1	.6	2,282,629
New Hampshire	39.9	32.2	23.9	3.5	.5	298,847
Rhode Island	42.1	29.0	24.8	3.5	.6	361,944
Vermont	40.3	32.5	23.0	3.9	.3	159,567
Middle Atlantic States						
Delaware	32.7	30.7	29.7	6.2	.7	207,271
New Jersey	34.5	27.2	30.5	7.0	.8	2,829,051
New York	35.2	29.6	27.9	6.4	.9	7,054,462
Pennsylvania	34.4	34.6	26.6	4.0	.4	4,424,546
North Central States						
Illinois	32.8	30.1	30.8	5.7	.6	4,309,313
Indiana	36.6	30.6	28.6	3.7	.5	1,878,623
Iowa	41.0	31.0	24.3	3.3	.4	1,029,207
Kansas	37.9	34.3	23.6	3.8	.4	812,987
Michigan	32.7	30.1	31.3	5.4	.5	3,154,639
Minnesota	40.9	27.9	26.7	4.1	.4	1,389,365
Missouri	49.2	30.3	17.7	2.5	.3	590,383
Nebraska	47.4	26.0	22.6	3.5	.5	552,351
North Dakota	51.1	28.8	17.4	2.6	.1	214,946
Ohio	34.3	31.2	29.8	4.3	.4	3,909,511
South Dakota	50.6	30.1	16.9	2.2	.2	228,573
Wisconsin	39.0	29.1	27.9	3.6	.4	1,647,970
SREB States						
Alabama	44.7	30.8	21.0	3.1	.4	1,029,512
Arkansas	45.4	34.6	17.1	2.5	.4	596,133
Florida	41.5	30.7	22.7	4.4	.7	2,443,083

State and Region	Under $5,000	$5,000-9,999	$10,000-19,999	$20,000-49,999	$50,000 or More	Number of Returns
SREB States (Continued)						
Georgia	42.9	31.0	21.8	3.9	.4	1,541,514
Kentucky	43.9	31.2	21.6	2.8	.5	1,033,504
Louisiana	44.7	29.7	21.7	3.5	.4	1,061,705
Maryland	33.8	27.2	30.5	8.0	.5	1,473,760
Mississippi	49.2	30.3	17.7	2.5	.3	590,386
North Carolina	45.6	30.7	20.3	2.9	.5	1,742,998
South Carolina	49.7	26.9	20.7	2.4	.3	839,848
Tennessee	42.1	33.9	20.6	3.1	.3	1,316,225
Texas	41.5	30.2	23.4	4.3	.6	3,817,306
Virginia	39.7	29.1	24.6	6.1	.5	1,658,751
West Virginia	39.7	34.3	22.9	2.7	.4	556,185
Mountain States						
Arizona	36.0	33.7	25.3	4.4	.6	645,261
Colorado	39.4	29.2	26.2	4.8	.4	826,275
Idaho	52.3	23.1	21.3	3.0	.3	251,363
Montana	42.1	33.2	21.7	2.8	.2	248,516
Nevada	30.8	34.4	29.2	5.0	.6	208,465
New Mexico	45.8	30.2	19.6	4.1	.3	342,082
Oklahoma	42.9	31.5	21.9	3.3	.4	860,746
Utah	44.4	25.7	26.1	3.4	.4	357,892
Wyoming	40.2	33.3	23.4	2.6	.5	126,494
Pacific States						
Alaska	32.5	22.9	31.1	13.0	.5	100,131
California	35.6	28.7	28.8	6.3	.6	7,588,270
Hawaii	37.4	25.3	29.0	7.7	.6	302,426
Oregon	40.8	27.5	27.3	4.0	.4	771,094
Washington	36.6	28.0	30.0	5.1	.3	1,227,882
District of Columbia	48.4	28.3	16.3	6.2	.8	319,616
All States Including District of Columbia	38.1%	30.0%	26.4%	4.8%	.7%	74,278,428

All notes and footnotes are on page 118.

TABLE 36

STATE AND LOCAL TAX CAPACITY AND CAPACITY UTILIZATION, PER CAPITA AND PER $1,000 OF PERSONAL INCOME, FOR STATES, REGIONS, AND THE UNITED STATES, 1972

State and Region	Actual collections (1,000)	Net unutilized capacity (1,000)	Tax capacity (cols. 1+2) (1,000)
New England States	$ 7,248,331	$ -377,026	$ 6,871,305
Connecticut	1,952,939	-15,159	1,937,779
Maine	486,396	-24,509	461,887
Massachusetts	3,695,175	-372,235	3,322,940
New Hampshire	352,985	53,181	406,166
Rhode Island	499,423	28,973	528,396
Vermont	261,413	-47,277	214,136
Middle Atlantic States	25,251,120	-2,185,486	23,065,632
Delaware	330,033	86,236	416,269
New Jersey	4,102,824	526,571	4,629,395
New York	14,486,609	-3,267,962	11,218,647
Pennsylvania	6,331,657	469,669	6,801,326
North Central States	29,655,232	2,355,683	32,010,912
Illinois	6,517,564	291,920	6,809,484
Indiana	2,374,954	389,139	2,764,093
Iowa	1,465,422	45,138	1,510,559
Kansas	1,063,113	192,170	1,255,282
Michigan	5,235,881	164,547	5,400,427
Minnesota	2,280,039	-232,951	2,047,087
Missouri	2,048,049	429,670	2,477,719
Nebraska	712,880	114,519	824,399
North Dakota	272,407	31,103	303,510
Ohio	4,632,030	1,373,138	6,005,168
South Dakota	316,747	2,180	318,927
Wisconsin	2,736,154	-441,877	2,294,267
SREB States	24,625,744	5,519,207	20,144,944
Alabama	1,140,264	415,071	1,555,335
Arkansas	630,500	217,774	848,274
Florida	3,297,737	727,218	4,024,955

Percent of capacity unutilized	Taxes Per Capita		Taxes per $1,000 of personal income	
	Capacity	Utilized	Capacity	Utilized
--	$567.92	$599.09	$119.41	$125.96
--	628.74	633.66	118.01	118.93
--	448.87	472.69	124.36	130.96
--	574.21	638.53	118.27	131.52
13.09%	526.80	457.83	124.21	107.95
5.48	545.86	515.93	121.75	115.07
--	463.50	565.83	125.74	153.50
--	603.42	660.61	120.76	132.20
20.72	736.76	584.13	142.02	112.60
11.37	628.40	556.92	120.11	106.45
--	610.84	788.77	116.52	150.46
6.91	570.29	530.91	127.73	118.91
7.36	556.20	515.27	121.03	112.12
4.29	605.23	579.29	117.75	112.70
14.08	522.41	448.87	119.65	102.81
2.99	523.95	508.30	121.86	118.22
15.31	555.93	470.82	124.80	105.70
3.05	594.63	576.51	121.84	118.13
--	525.43	585.23	122.24	136.15
17.34	521.30	430.90	121.44	100.38
13.53	540.59	467.46	124.12	107.33
10.25	480.24	431.02	128.44	115.28
22.87	556.91	429.57	122.84	94.75
.68	469.70	466.49	126.96	126.09
--	507.56	605.34	119.29	142.27
18.31	494.92	404.31	126.60	103.42
26.69	443.12	324.86	129.57	94.99
25.67	428.85	318.76	127.45	94.73
18.07	554.48	454.31	126.66	103.77

TABLE 36 (Continued)

State and Region	Actual collections (1,000)	Net unutilized capacity (1,000)	Tax capacity (cols. 1+2) (1,000)
SREB States (Continued)			
Georgia	$ 1,882,535	$ 406,185	$ 2,288,720
Kentucky	1,178,936	329,812	1,508,748
Louisiana	1,594,016	240,344	1,834,360
Maryland	2,225,813	152,311	2,378,123
Mississippi	795,481	109,685	905,166
North Carolina	2,012,969	451,382	2,464,351
South Carolina	925,041	217,559	1,142,600
Tennessee	1,511,650	353,461	1,865,110
Texas	4,661,860	1,331,166	5,993,026
Virginia	2,055,202	447,795	2,502,997
West Virginia	713,748	119,446	833,194
Mountain States	5,410,840	633,645	6,044,484
Arizona	1,034,913	12,328	1,047,241
Colorado	1,220,183	127,000	1,347,183
Idaho	319,464	49,400	368,904
Montana	376,585	-774	375,811
Nevada	322,966	26,659	349,625
New Mexico	452,873	57,816	510,689
Oklahoma	1,006,760	287,224	1,293,984
Utah	498,050	41,955	540,005
Wyoming	179,046	31,996	211,042
Pacific States	17,743,536	-1,564,258	16,179,278
Alaska	152,104	64,275	216,379
California	14,126,092	-1,704,878	12,421,214
Hawaii	520,161	-43,786	476,375
Oregon	1,054,416	108,256	1,162,672
Washington	1,890,775	11,870	1,902,645
District of Columbia	457,700	77,640	535,340
All States Including District of Columbia	$110,391,952	$4,459,390	$114,851,328

Percent of capacity unutilized	Taxes Per Capita		Taxes per $1,000 of personal income	
	Capacity	Utilized	Capacity	Utilized
17.75	$484.15	$398.84	$124.04	$102.03
21.86	457.34	357.36	126.73	99.03
13.10	493.11	428.50	139.19	120.95
6.40	586.32	548.77	120.99	112.40
12.12	399.99	351.52	127.51	112.06
18.32	472.64	386.07	124.41	101.62
19.04	428.74	347.11	123.28	99.81
18.95	462.69	375.01	126.06	102.17
22.21	514.46	400.19	128.92	100.29
17.89	525.40	431.40	122.23	100.36
14.34	467.82	400.76	130.15	111.49
10.48	526.80	471.57	128.70	115.21
1.18	538.43	532.09	126.30	124.81
9.43	571.57	517.69	124.95	113.17
13.40	487.97	422.57	129.08	111.78
--	522.69	523.76	130.72	130.99
7.63	663.43	612.84	130.65	120.69
11.32	479.52	425.23	134.53	119.30
22.20	491.26	382.22	129.46	100.73
7.7[illegible]	479.58	442.32	128.66	118.67
15.1[illegible]	611.72	518.97	141.26	119.84
-	594.24	651.69	122.07	133.87
29.70	665.78	468.01	129.49	91.03
--	606.86	690.16	121.66	138.36
--	588.85	642.97	118.50	129.39
9.31	532.85	483.23	124.30	112.72
.62	552.61	549.17	123.56	122.79
14.50	715.70	611.90	114.24	97.67
3.8[illegible]	$551.55	$530.14	$122.79	$118.02

All notes and footnotes are on page 118.

TABLE 37

TOTAL TAX COLLECTIONS, STATE AND LOCAL GOVERNMENTS
FOR STATES, REGIONS, AND THE UNITED STATES, 1972
(In Thousands)

State and Region	State Tax Revenue*	Local Tax Revenue**	Total Tax Revenue
New England States	$ 3,691,553	$ 3,556,778	$ 7,248,331
Connecticut	988,539	964,400	1,952,939
Maine	276,476*	209,920	486,396
Massachusetts	1,805,335	1,889,840	3,695,175
New Hampshire	161,583*	191,402	352,985
Rhode Island	300,907	198,516	499,423
Vermont	158,713*	102,700	261,413
Middle Atlantic States	12,825,454	12,425,669	25,251,120
Delaware	256,733	73,300	330,033
New Jersey	1,626,285	2,476,539	4,102,824
New York	7,020,209	7,466,400	14,486,609
Pennsylvania	3,922,227*	2,409,430	6,331,657
North Central States	15,857,235	13,798,005	29,655,232
Illinois	3,397,844	3,119,720	6,517,564
Indiana	1,187,234	1,187,720	2,374,954
Iowa	780,720*	684,702	1,465,422
Kansas	527,813	535,300	1,063,113
Michigan	3,090,631*	2,145,250	5,235,881
Minnesota	1,324,439	955,600	2,280,039
Missouri	1,047,247	1,000,802	2,048,049
Nebraska	319,480	393,400	712,880
North Dakota	157,807	114,600	272,407
Ohio	2,262,630*	2,369,400	4,632,030
South Dakota	133,347	183,400	316,747
Wisconsin	1,624,043	1,108,111	2,736,154
SREB States	15,677,419	8,948,333	24,625,744
Alabama	825,064*	315,200	1,140,264
Arkansas	459,780	170,720	630,500
Florida	1,996,337	1,301,400	3,297,737